

MONEY SENSE

Genesis
FINANCIAL MANAGEMENT INC.

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NEW BEGINNINGS, DEBT FREE

What Could An Extra Twenty-Five Dollars Do For You?

“Weathering the storm” is a natural response when your budget is tight, and you may find it difficult to think about anything beyond paying your monthly bills. When your most immediate financial needs are pressing, you might feel as though you don’t have the freedom to do things such as save for retirement, set aside money for your goals, or pay anything more than the minimum on your debts.

Saving for goals and retirement, even paying down debt, is possible—even if your budget is tight. The key is to think small—just \$25 a month to start.

The average household can typically and often easily squeeze an extra \$25 dollars out of the budget by identifying what are known as spending leaks. Spending leaks are like shirts; they come in a variety of sizes and we all have at least one. They run the gamut from pit stops to the coffee hut for a latte to lottery tickets from the convenience store. They can be fantasy football and gardening magazines, cell

phone features, lunches out, extra movie channels with your cable package, or any other thing you spend money on unconsciously.

Identifying your spending leaks doesn’t mean you’re destined to a life of deprivation. Buy fresh ground coffee beans and make your own at home, or stop for two lattes each week instead of five. This can easily free up more than \$25 each month. Enjoy your favorite magazines from the quiet comfort of the library. Keep your cable but consider dropping the extra movie channels. The point is to evaluate where your money is going and to consider places where you may be spending it unconsciously.

Okay, so if you’ve freed up an extra \$25, just how much good is it going to do you? Consider that a credit card with a \$2000 balance and an interest rate of 18% will cost you \$2615.43 in interest and that it will take you 222 months, or 18 and a half years, to pay off the balance in full. Add just \$25 a month to your

payment, and you will pay \$573.36 in interest and pay off your credit card in just under 3 years.

Take the same \$25 and put it into a 401K each month. With an average return of 6% over 20 years, you will have saved \$11,551. Of course, this amount won’t leave you lounging poolside for the rest of your years, but the point is to consider how even a small amount can make a difference. Instead of feeling stuck because your budget is tight, seeing your money grow can motivate you to find ways to increase your contribution, such as by saving windfalls like tax refunds, bonuses, gifts, etc.

Don’t let a tight budget leave you feeling powerless—even \$25 a month can make a significant difference in your financial life. When you see a balance declining or an account growing, no matter how slowly, count this as progress and use this momentum to find other ways to get what you desire.

- This article adapted with thanks to the American Center for Credit Education-

Payment Address

Genesis Financial Management
14025 Riveredge Drive Suite 505
Tampa, FL 33637

Genesis Update:

Online enrollment is now available! If you know someone you’d like to refer to our debt management program, send them to yourgfm.com and have them click on the “Enroll Now” tab. See page two for details.



Did You Know??

The average consumer is confronted with over 3,000 advertising messages a day! That includes billboards, signs, radio ads, TV commercials, magazines and newspapers, etc. No wonder we feel so compelled to buy things we may not need. We may not be able to tune out all the ads, but we can make a vow to ourselves to remember the difference between "needs" and "wants" and not let the companies trying to empty our wallets get the better of us. We'll be a lot more financially secure, and happier, in the long run if we quit trying to "keep up with the Jones's"!

The statute of limitations for lawsuits gives creditors a certain window of time in which to sue you for collection of a debt.

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Amazing Things You Can Get For Free!

Who says nothing's free anymore? Great freebies are out there— it's just a matter of knowing where to look! Check out the following:

Free Classes for Small Business Owners:

Dreaming of starting your own business? The Small Business Administration offers free workshops that cover business plan writing, registering a business and tax filing for business owners. Go to sba.gov and check out "Local Resources" for the courses nearest you. Most are held through Women's Business

Centers (although men are welcome too!)

Free Museum Visits— this can be a boon during the long, hot days of summer. Many museums offer free days, half-days or evenings on a weekly or monthly basis. Check your local museums for upcoming dates. Just be prepared for crowds!

Free Household Items— have a chair you'd love to get rid of? Seeking a new computer desk? Check out freecycle.org. This national nonprofit organization helps users find homes for things

they no longer need by posting ads on local online bulletin boards.

Simply respond to the ads if you see something you'd like. The only catch?— you have to get it home!

Free Photos— share photos quickly and easily with family and friends by going to adorama.com, dot-photo.com, kodakgallery.com or snapfish.com. These sites also offer 15-50 free prints when you sign up. You simply pay a nominal amount for shipping.



Money Smart Topic of the Month: Suing For An Old Debt

According to the Fair Credit Reporting Act, most negative information (with the exception of bankruptcies, student loans, child support and tax liens) must come off your credit history seven years after the date of last activity, but did you know that a creditor may be able to take you to court over a debt well beyond the seven-year mark? Or that, in some cases, their right to sue expires before the seven-year mark!

A creditor has a limited number of years to sue you

after you fail to pay a debt. This is called the statute of limitations and can vary from state to state. It is not governed by the Fair Credit Reporting Act. In some states, the statute can expire in as little as three years, but in other states it can be as long as fifteen. The statute you should be interested in is the one in the state in which you currently live, not in the state where you lived when you assumed the debt.

Some creditors will try very aggressively to collect

a debt as the statute of limitations nears, and it is up to you to raise that as a defense in court if you feel you should not have to pay the bill. Be aware, though, that certain activities can extend or revive the statute. These may include a verbal or written acknowledgement of the debt by you, a promise to enter into a payment plan or the sending of a partial payment. If a creditor agrees to extend your time to pay before they send it to collection or pursue legal action, the statute of limitations would start at the end of the "grace period."

Please Note: Online Enrollment Is Now Available!

Do you know someone who could benefit from the debt management program? Have they been putting off making the call due to lack of time? Or perhaps they prefer doing everything via the computer. We have the perfect way for them to get started. Simply refer them to our website for online

enrollment!

From our homepage, click on the "Enroll Now" tab at the top, and you can walk step by step through the enrollment process. Within a matter of minutes, you could be up and running, saving money and paying down those debts.

Online enrollment is available twenty-four hours a day, so it's accessible no matter what your schedule.

Should you have questions during the enrollment process, our counselors are standing by to assist. Simply contact us at 877-202-9246.

Check Us Out Online!: www.YourGFM.com