

The Holidays and Money

By Mark Cox, EAS Clinician

Holiday season may bring an extra dose of challenges to our already overtaxed concerns about money. Our generous spirit during this special time of the year feels challenged and squelched when we look at our balance sheets at the end of the month and we can allow this to diminish our holiday spirit if we are not proactive to avoid that.

Sometimes the best gifts are the simplest. That usually does not sit too well with children, but this difficult time is an opportune time to teach children-even teenagers-not only that money is limited, but that also, family time and the spirit of the holidays is more than just material. These are times where we can foster the spirit of goodwill to all. Do some creative things like volunteer for the homeless shelters, get involved in toy drives, give to those *much* less fortunate, it will bring about valuable character building moments for your children.

Get creative, and stay inexpensive, with your gift giving. Homemade items make meaningful gifts for children and adults alike. Food baskets, mementos, firewood, homemade candy are just a few fun and creative ideas for gift giving on a budget. I knew a young couple that once gave very nice certificates to family and neighbors which were redeemable for small chores or tasks that they could do for their family and friends in the name of the holiday season.

For instance, one young man gave his neighbor a certificate redeemable for a pickup truck load of trash hauled to the dump. For the neighbor, this was wonderful as he was not able to do this for himself, and it was much more meaningful than a trinket or gift collecting dust on a shelf. Get creative, save money, and deepen relationships by spending time with those you care for rather than just sending along a gift.

While these ideas may not work in every situation, consider resolving to limit your shopping for Christmas gifts to cash only this year. Doing so will help you avoid that "Holiday Hangover" that shows up around Valentine's Day when all those charges made on credit cards show up. This is not only disheartening; it is a major financial problem for many Americans. Many times these charges are not paid off by the time the fireworks go off on the fourth of July! By that time interest charges on those items may have cost you an average of 10-20% more than the sticker price on the day after Thanksgiving! So, to repeat the message: spend ready cash only for this seasons holiday shopping!

Set a budget for the month of December and set aside an amount for giving. Raise money by having a yard sale, doing some side jobs, a bake sale, etc. Set an amount for your total giving this holiday season. Then make a list of who you are going to buy for with some ideas on what you are going to purchase, and then when shopping for gifts stick to that list, and that amount, no more. Don't forget to budget for wrapping paper, bows, postage, etc. in your budget.

Be careful of rationalization in this area. It would be a great temptation to borrow against that; "extra check" coming on December 30th this year. By spending cash only

for your Christmas shopping, you can put that “extra check toward debt reduction or savings and feel good about having your shopping/giving season in your rearview mirror!

We would like to hear your stories of giving and receiving low or no cost budget items as Christmas gifts. Send them to eam@rc-hr.com, please make your subject, Giving Article. Tell us what your experience has been, and share with us some creative ideas for economical gift giving. We will post them, if you let us, in hopes of encouraging others to have a Happy-*and debt free*-Holiday season.