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MANAGING IN TOUGH TIMES INITIATIVE

FAMILY FINANCIAL MANAGEMENT

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THIS MONTH'S TOPIC:

Financial Preparation for the Holidays

When the leaves continue to fall and the nightly temps dip lower, we know that the holiday season will soon be upon us. It seems the holiday seasons starts earlier every year. Although you may not be ready for dancing elves to be on display at local stores, now is the time to start preparing for upcoming holiday expenses. Getting an early start will help reduce holiday stress and your after-holiday bills, often known as the holiday financial hangover.

Before the holiday season moves into high gear, take time to get prepared. Review your current financial situation and determine a holiday spending limit that works with your family budget. To make certain you are not tempted to increase that limit as the season progresses, develop a budget for gift-giving, food, travel and entertainment expenses. Additional expenses which are often left out of a holiday budget include gasoline, babysitter fees, and eating out more often.

As you work on the budget, start by making a list of everyone you plan to give a gift, including children, loved ones, teachers, babysitters, hair stylist, etc. Identify a realistic spending limit and a possible gift for each person on your list. It is important that you do not feel pressured to give anyone a gift. If your finances are tight this year, consider a hand-written note expressing thanks or appreciation. Continue to work your way through your holiday budget by estimating other anticipated expenses. If you have receipts or credit card statements from last year, you may be able to use them as a guide in developing a realistic estimate for travel, entertainment, and food expenses.



Now is the time to start preparing for holiday expenses

As you are preparing your budget for the upcoming holidays, think about how you will pay for holiday shopping and expenses. You are less likely to overspend if you pay with cash, as opposed to using a credit card. If you are using cash, once all of your cash is gone, you are finished with your holiday shopping. Another option to consider: many stores now offer layaway plans. If you decide to use store layaway options, be certain to check their return policy and keep track of all payments.

Plan holiday shopping trips ahead of time, review store ads, and know exactly who and what you are shopping for prior to entering the store. Impromptu shopping trips and wondering around a store looking for gift ideas can lead to impulsive purchases which were not part of your original budget. Do you window shopping at home using catalogs or online, so that you know exactly what you want when you are at the store. Finally, remember that holiday sales can be tempting, so once you are in the store, stick with your original budget.

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Preparing for the Holidays

It's estimated that between Thanksgiving and New Year's Day, Americans produce an extra one million tons of waste per week. Wrapping paper, bows, ribbon, greeting cards, shopping bags, packaging, and even the leftover turkey all adds up to more waste. As you prepare to celebrate the holidays, keep the following tips in mind to minimize waste.

When wrapping gifts:

- Wrap or place gifts in items that can be reused, such as dish towels, beach towels, backpacks, or reusable bags.
- Reuse cards you receive by making them into gift tags.
- Use a small toy or ornament to adorn packages in lieu of a bow or ribbon.

When decorating:

- Purchase balled or potted trees which can be planted in your yard.
- If you use a real cut tree, contact your local solid waste coordinator and ask about local collection and chipping programs.
- Use natural items, such as holly sprigs, pinecones, popcorn, and cranberries to decorate. These items can be composted once the season is over.

When entertaining:

- Avoid the use of disposable tableware as much as possible.
- Decorate coffee tins, butter bowls and other items for storing, serving or giving homemade food items.
- Recycle paper, plastic, and glass items, and compost leftover food scraps.

Written by: Original 2001 (Kim Henken). Revised September 2012 (Ashley Osborne).

Resources: "Give Green" by Decking the Halls with Less Waste This Year!. California Department of Resources Recycling and Recovery. 2010. Retrieved at <http://www.calrecycle.ca.gov/PublicEd/Holidays/> on September 25, 2012

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