



Teaching Kids about Money

By the age of eight, children can logically think about money and it may be a good age to consider a weekly allowance. Keep these points in mind:



- Talk about the differences between an allowance versus constant hand-outs.
- Let your children decide how to spend their allowances.

- Encourage opening a savings account, preferably one with a passbook.
- Base the allowance and its frequency on what your family budget can afford, not on what other children receive.

Remember, budgeting is not always taught in school. Learning money management skills in the home will provide your children with a sound basis for making realistic financial decisions throughout their adult lives.

Credit Counselling Services of Peterborough is a program offered through CCRC. We offer telephone and face-to-face money management and debt counselling in Peterborough, Haliburton, Kawartha Lakes, and Northumberland Counties. Our services include:

- Budgeting & money management counselling
- Preventative Education
- Debt Repayment Programs
- Bankruptcy counselling

To book a free and confidential appointment with one of our counsellors, call 705.742.1351 or visit www.ccrcc-ptbo.com.

Finding Your Balance This Holiday Season



The coming holiday season can be a time of joy despite recent troubles on the world stage and in our economy. Remember the following steps to help you keep a sense of balance.

Moderation in shaky times is key.

Fear and stress can provoke an austere or lavish reaction to holiday spending. Some may turn to overzealous spending while others may be so anxious about the future they refuse to spend any time or money on the spirit of the season. Both extremes can backfire. A slowed economy is often boosted by consumer spending, especially during this time of year, but you need to plan your budget carefully for the holidays.

Make a contract with yourself. Write down the maximum amount you can afford to spend and resolve to stick to it. Break down the amount and set a cap in the following categories: gifts, entertaining, and miscellaneous items (such as decorating, clothing or travel). Add some cushion to your budget to cover unexpected or hidden costs. Decide how you are going to pay for your purchases and keep track. Don't be tempted to spend beyond your means.

Pare down your expenses. If you can't travel to be with the ones you love, send a video or a letter, this can mean a lot and costs so little. Cull your gift list and suggest that family members exchange names rather

than buying for everyone. Invoke a "make it or bake it" rule for gift giving, adults can appreciate such gifts. Kids can help keep family's costs down by giving homemade gifts such as crafts, homemade CD's, or "coupons" offering to complete a chore. Forego fancy dinner parties and organize a pot luck. Recycle or make decorations.

Talk about expectations. If you have kids (young or grown), discuss what's happening in the world and how moderation and charity can be used. Ask them for suggestions on how this holiday season can be made more meaningful and affordable for the family. If you or loved ones have been directly hit by the economic downturn, think about exchanging gifts of time such as babysitting, running errands or housework. Don't let limited funds discourage you. It is in times of hardship that we need to remind ourselves of the blessings we have overlooked in our lives. Think back to your childhood and you'll find that memories of toys and trinkets are hazy, but times shared with loved ones much will be much more vivid.

A smile costs nothing but can be priceless. The spirit of peace and hope has remained triumphant for centuries and will renew itself again this holiday season.

Checking Your Credit File



Few people realize they have the right to have a copy of their credit report and

at no charge. If you find an error in your file, contact both bureaus to have it removed or revised.

Here's how to contact the bureaus:

Equifax 800.465.7166
Trans Union of Canada
800.663.9980

In both cases you'll need to be prepared by having identification address and birth information.

Diagnosing Debt Problems



The shape of your financial fitness has a lot to do with your debt level. While

living without debt is the dream of many Canadians, it is not the reality.

Some debt is fine, and in fact the wise use of credit is an integral part of most people's financial planning.

Determining when you are overdosing on debt is the key to maintaining financial balance in your life.

To decide if your debt level is nearing the danger zone, calculate how much debt you have relative to your annual income. Once your debts, excluding mortgage payments, begin to nudge up past 15% of that income, you could be headed for trouble. Sometimes even 15% is too high. If you find yourself worried about your debts, they are probably too high. The characteristic signs of credit trouble include using one credit card to pay another, not being able to make all your minimum payments each month, using credit cards for necessities, such as groceries and spending more than you have coming in each month.

- The simplest solution for too much

debt, of course, is to pay it off. While that's easier said than done, there are ways to tackle the problem.

- Don't incur any more debt until you've reduced or, preferably, eliminated your current debts.
- Use your current savings to lower your debt load.
- Start by repaying the debts that carry the highest interest rates – usually credit card and car loans.
- Liquidate assets you don't need and use the proceeds to pay off debt. (However, consider carefully before using RRSPs to pay off debts. You are borrowing from the future and could incur tax liabilities).
- Consolidating your loans into one overall loan with a lower rate is an option if your credit rating and cash flow are good.
- Switch the balance on your credit cards to low-interest credit cards – but be sure to pay off and close the first cards.
- If interest rates have dropped since you took out your car loan, go to your bank and ask for it to be refinanced.

If you or someone close to you needs help please call us at 705.742.1351. We are the only non profit Credit Counselling service in Peterborough.

New Student Loan Repayment Assistance

Relief for student loan borrowers will help to make the process more straight forward and longer term. As of August 1, 2009 borrowers are able to arrange payments that are based on income and family size and when qualified, apply the reduced payments to the principle balance while any interest not covered is paid by federal tax dollars.

Current borrowers enrolled in the existing Interest Relief and Debt Reduction program will complete their term and can apply for the new

program after August 1st without waiting for their term to end. Application, while still mandatory, can be made by calling 1-888-815-4514 and providing supporting documentation.

For details and to access the calculator, go to:
<http://www.canlearn.ca/eng/after/repaymentassistance/rpp.shtml>



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On Line



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