

# Living Resourcefully: Finding Ways to Help Your Dollars Go Further

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Living resourcefully is not just about money. It's about using **all** the available resources to achieve what someone wants in life. It's about how others influence our decision making, including financial decision making. It's about what's going on in the world we live in.

A thought from the Great Depression, "Use it up, wear it out, make it do, or do without," may just be the underlying plan for living resourcefully.

While living resourcefully is not just about money, let's start with financial resources to find ways to help dollars go further.

## Eliminate Spending Leaks

Just for perspective, retirement research (Venti & Wise, 2001) indicates that persons close to retiring with little savings have simply chosen to save less and spend more over their lifetimes. As common sense tells us also, the key appears to be spending less than you earn throughout life.

But you really can't decide to change your spending behavior until you know how you spend money now. The first step to eliminating spending leaks is to track your spending for at least a month. That means tracking every dollar, every dime. Where did it go? Write it down so you know.

Once you have a spending record, divide it into spending categories that make sense to you and tally up the total for each category. Look for regularly occurring, smaller expenses such as a daily \$1 cup of coffee, can of soda, or bottle of water. If you have this one drink every day of the year, it totals up to \$365. Or if you're a pack-a-day smoker, \$4.75/pack means \$1,733 gone (not to mention the additional health expenses you have now and in the future if you continue to smoke). Bring your own coffee, soda, or water from home and try to cut down and eventually cut out the cigarettes, or other expenses that are not healthy. If so, you've stretched your dollars.

You probably can think of more examples. Remember cutting down is easier than going cold turkey by cutting out something all of a sudden. Good luck on finding your spending leaks.

## Before You Buy

Ask yourself the following questions before you spend money:

1. Do I really need this item now?
2. How will I pay for it?
3. How many hours do I need to work to pay for it?
4. Can I afford it right now without going into debt?



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5. How can I comparison-shop without driving from store to store (Internet, ads, etc.)
6. If I can't afford to buy it now, can I start to save right away to have cash for the item in the future?
7. If I buy it on credit, can I pay it off when the bill comes in?
8. How long will it take to pay the bill off if I buy on credit?
9. How will my everyday life be affected if I do/do not buy this item?

Use these questions to help decide if something is truly worth buying or if a bargain is really a bargain.

### **Actively Manage Your Credit**

A poor credit score can cost you tens of thousands of dollars over time in increased interest rates and insurance rates. You may even lose your job or lose out on a job you've applied for because of your credit score. Get all three credit bureau reports at [www.annualcreditreport.com](http://www.annualcreditreport.com) once a year, free, and challenge anything that appears incorrect. Pay bills on time or even early to avoid late payment fees or higher interest rates. Pay off revolving debt and put credit cards away. Don't use credit cards with annual fees and you can save even more money.

### **Make the Most of Community Resources**

Search for low-cost or free resources in your community. Get fresher, more tasty, and oftentimes less expensive items at farmers' markets. Once located in larger communities, even smaller communities have regularly scheduled markets during the growing season. If you have extra produce or other items to sell, look into the cost of having a booth or share the cost with others who have similar items to sell.

Don't have a garden space? Many communities offer community garden space, and some even provide shared equipment or tasks such as tilling for a nominal fee.

If you qualify for a reduced-cost meal at the local senior center, consider going there to eat at least a couple of times a week. Not only will you lower your food costs, you'll gain some social time and the opportunity to both renew and form friendships.

Locate garage sales or thrift stores selling "gently used" clothing and household items, seasonal decorations, and lawn equipment.

Public libraries not only provide books — both in hard copy and in a variety of audio formats — but also

lend movies on DVD. Many subscribe to magazines and newspapers, both in either hard copy or online. Limited free Internet service may be available. Programs for no or low fees are often scheduled on a variety of topics.

Does your community have a health clinic, which offers some health services at a reduced price? Community resources also may be available to assist with utilities, rent, food, etc. Ask questions and find resources that are available.

Consider using free or low-cost community resources for recreation and entertainment. Community hiking or biking trails, parks and other recreation areas as well as free concerts can be just as enjoyable as events that involve buying tickets or paying a fee for a similar event.

You can probably think of other resources in your community. Become acquainted with any new ones you hear about.

### **Reducing the Impact of Living on a Set Income When Prices Rise or a Financial Setback Happens**

Many people on a set income know how to stretch their money. The more set or lower your income, the more important it is to live resourcefully. Also consider:

What can you do or what do you have that you could exchange for something you need? What are your talents and skills? Can you mend or sew, iron or clean?

Move to less expensive or subsidized housing, if you qualify, to free up income for the future when costs are likely to increase because of inflation.

Use University of Nebraska–Lincoln Extension and other community resources to find ideas on how to stretch your money and substitute less expensive alternatives.

Find the following publications on the University of Nebraska–Lincoln Extension publications Web site at <http://www.ianrpubs.unl.edu> or ask for free copies from your local extension office.

- *Cutting Family Clothing and Personal Care Expenses*, G1936
- *Cutting Family Food Expenses: 16 Tips That Can Total Big Bucks*, G1933
- *Cutting Family Housing and Utility Expenses*, G1932
- *Cutting Family Transportation, Recreation, Health Care, and Other Expenses*, G1937
- *Cutting Family Insurance Expenses*, G1935

Here's a sample of ideas from these publications:

*Cutting Family Clothing and Personal Care Expenses, G1936*

- Buy versatile clothes that will expand your wardrobe, i.e., a sweater you can wear with two pairs of slacks you already have.
- Remodel or recycle an outfit you already own.
- Share or trade sewing skills with family members or others in your community.
- Keep clothes in good condition by removing stains promptly and making minor repairs.
- Buy personal care items from discount stores.
- Watch for coupons, rebates, and specials on personal care items.

*Cutting Family Food Expenses: 16 Tips That Can Total Big Bucks, G1933*

- Always shop with a list.
- Plan carefully to avoid tossing food. Food that spoils before being used means wasted money.
- Use coupons ONLY for foods you would buy even if you didn't have a coupon.
- Stock up on staples like tuna or tomato paste when they are on sale.
- Shop the specials.
- Think before you buy bottled water; buy a refillable bottle and fill with tap water instead. Limit consumption of soft drinks and fancy coffees.
- As you wait in line, resist the last-minute temptation of a magazine or candy bar at checkout.
- When eating out, find early-hour discounts, get free or two-for-one coupons, or go where kids eat free.

*Cutting Family Housing and Utility Expenses, G1932*

- Rent-free or reduced rent situations may be available in exchange for managing rental units, or doing yard work, maintenance, or office work.
- If you have extra space, consider sharing your house and the rent or mortgage payments.
- Change furnace filters monthly during the summer, every three to six months the rest of the year.
- Change to compact, fluorescent light bulbs.

- Wash clothes or dishes only when you have a full load.
- Don't let water faucets drip.
- Turn off lights when no one is in the room.

*Cutting Family Transportation, Recreation, Health Care, and Other Expenses, G1937*

- Walk or ride a bike for short-distance travel.
- Trade something you can do for vehicle maintenance.
- Save on fuel with good driving habits.
- Check out movies from the library.
- Make use of public facilities such as parks, local ballparks, museums.
- Attend public celebrations and festivals.
- Ask doctors to prescribe generics rather than brand names if the generic is equivalent.
- Compare prices at local pharmacy outlets to find out which ones fill your prescriptions at lowest cost.
- Set a spending limit on holiday and birthday gifts.

*Cutting Family Insurance Expenses, G1935*

- Determine minimum needs for insurance.
- Compare insurance premium costs on the Internet.
- In most cases, avoid overlapping health insurance coverage.
- Consider higher deductibles for vehicle and property insurance.

## Conclusion

One of the most important messages of living resourcefully is learning to save. Put away resources for the future. Buy staples on sale. Develop a revolving emergency fund to help fund months when expenses are more than income. Use community resources to help you develop a resourceful lifestyle. So, from the Depression era: Use it up, wear it out, make it do, or do without!



# Community Lesson

## Evaluation Form for Members/Participants

1. I am:

<input type="checkbox"/>	Under 29
<input type="checkbox"/>	30-39
<input type="checkbox"/>	40-49

<input type="checkbox"/>	50-59
<input type="checkbox"/>	60-69
<input type="checkbox"/>	70 or older

2. Are you attending this program as a part of a club/group/etc.?

<input type="checkbox"/>	Yes
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<input type="checkbox"/>	No
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If so, please specify what club, group, organization / agency or other:

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3. Please indicate which lesson you completed: (check one)

<input type="checkbox"/>	<i>Bite When the Temperature is Right</i>
<input type="checkbox"/>	<i>Living Resourcefully: Finding Ways to Make Your Dollars Go Further</i>
<input type="checkbox"/>	<i>How Strong Families Deal with Stress and Crisis</i>
<input type="checkbox"/>	<i>Purchasing "Green" — What Does It Really Mean?</i>

4. How much of the lesson did you complete? (check one)

<input type="checkbox"/>	All
<input type="checkbox"/>	About half
<input type="checkbox"/>	About one-quarter

5. Please indicate whether you agree or disagree with the following statements. Circle a number for each.

	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Agree</i>	<i>Strongly Agree</i>
1. This topic is important to me and addresses issues that I need to know more about.	1	2	3	4
2. I am more knowledgeable about the topic covered.	1	2	3	4
3. I will use this information in making informed decisions in the future.	1	2	3	4
4. The information covered in this lesson will impact my life in a positive way.	1	2	3	4

One way is (please list): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. I will share this information with others who could use this information.	1	2	3	4
6. Because of this lesson, I will make a change in what I do related to this topic.	1	2	3	4

Changes I plan to make include (please list):  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Please mail to:

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