

# Tips for Economic Trials

## HOUSE VALUATION

The housing market has taken a big drop; in our area, as much as 33%. With that in mind, make certain that the Tax Assessor re-values your house accordingly. If you have challenged the amount within the past 3 years, your tax is locked; however, by completing a “Taxpayer’s Return” it can be re-valued. You have until April 15 to complete.

**INSURANCE** – Give your policies a fresh look.

- Homeowners – If your home value has dropped, your home insurance should be lowered also.
- Auto – Shop around for a more competitive rate. PROGRESSIVE will do that for you, then you will have some bargaining power while re-negotiating your rates. Also, consider changing your limits for a savings. Consider pre-paying 6 months in advance rather than monthly.

## BANKING

- Checking – ask your bank for a “no fee” checking account. They *may* ask that you maintain a minimum balance, but that is a built-in savings for you. (*the glass is always half full.*)
- EFT’s – Challenge yourself to establish use of the EFT (electronic fund transfer) system – where the bank will automatically pay your bill(s) from your account. This relieves pressure from your remembering when, and what to pay each month. It also maintains an on-time payment history with your creditor.

## MORTGAGES

- If you have a current mortgage of 6 ½ % or more, consider the possibility of a re-finance.
  - There will be some closing costs that are not negotiable, but there are some, called points (*origination fee, etc.*) that are. Strive for zero points. Remember, for every point, you are paying 1% on top of the loan amount, i.e., 1 point = \$1,000 on a \$100,000 loan.
  - Strive for a 15 or 20 year mortgage. You attack the principle much, much quicker. You can “google” *amortization calculator* for comparisons.

## **UTILITIES**

- Consider “bundling” cable; internet and telephone.
- Consider using only a cell phone and forgoing the additional expense of a *land line*.
- Investigate competitive prices from Natural Gas companies, i.e., Scana; MXEnergy, etc.

**WHOLESALE CLUBS** – Consider BJ’S; COSTCO or SAMS. You can find good saving on things like gasoline, bottled water, meats, etc. For Christmas, I purchased beef tenderloin for \$7.99/lb – at Publix, it was \$16.99/lb. I also saved about 50% on a *black forest* ham.

**DOLLAR STORE** – For greeting cards; toothpaste; paper products, etc., try the dollar stores.

## **HOMEOWNERS INSURANCE:**

A friend emailed me to suggest that in your re-examination of your homeowners policy that you strongly consider a REPLACEMENT COST policy with automatic inflation adjustments. Also, understand that your coverage **MUST** coincide with your mortgage company's requirements. I most certainly agree with his observation and suggestion.

## **AUTOMOBILE INSURANCE:**

The limits of liability on your automobile coverage should be in an amount that is likely to cover any damages in the event of an accident. Remember that most automobiles now cost over \$30,000.00 and in the event of a major accident you do not want coverage insufficient to cover damages. Your uninsured motorist coverage (the cheapest part of your insurance) should equal your liability coverage.

**PLEASE** remember this as a disclaimer - these tips are merely MY personal opinions and not that of a professional. You should always do your own individualized investigation.

In closing, remember that we are stewards of God’s assets. He will hold us accountable for what we’ve done with HIS assets. When we stand before the father, we will want to hear these words, “...*well done, thou good and faithful servant.*”

