When Bills Exceed Income

In these tough economic times, many individuals and families are finding it difficult to pay bills on time. Without enough money to cover your family’s basic living expenses and pay all creditors, you need to make difficult financial decisions. If you find that you are unable to pay all of your bills, you need an organized plan. That plan should begin with a budget to identify current income, whom you owe, how much, and when payment is due. If the bills exceed the income, reorder the budget placing the most important bills first. Give priority to rent or mortgage, utilities, and other items that keep your family safe.

You must decide how much to pay to which creditors. One strategy is to divide available funds and pay each creditor a share of what you owe. This will work only if all creditors agree to reduce the amount they receive and extend the payment period. A second method is to prioritize your creditors to determine who will receive the most money. For more ideas, see “Talking with your creditors” at www.nctakecontrol.com.

Once you have a workable plan, contact the people to whom you owe money — your creditors — and explain your situation. It is in the best interests of the creditors to work with you to adjust your payments, because they want to be repaid. Even though you are legally obligated to pay all of your creditors, many of them will work with you. Remember not to allow creditors to convince you to agree to pay more than you can afford, as this will cause you to default on your agreement.

Here are a few questions to help decide the best plan for your family:

- **What will affect my family’s health and security most?** Generally the rent or mortgage, utilities, food, transportation, and medical insurance take top priority. Remember that your current mortgage payment may actually be less than rent for a similar house or apartment.

- **What will I lose if the bills are not paid?** Homes and cars can be used as collateral or security for a loan. It is important to keep current any loan that puts your home or transportation at risk because it is used as collateral. For example, a vehicle might be used to secure a loan to purchase a washer and dryer. To find out if collateral was pledged, call the creditor and ask if it is a secured or unsecured loan, or look at your loan documents for the loan type.

- **What interest rate am I paying?** Credit cards that charge 15 percent interest per month result in an 18 percent annual interest rate (annual percentage rate) on unpaid balances. One strategy is to pay off higher rate cards first to realize the greatest savings in interest charges. Another strategy is to pay off the lowest balance account for a quick reduction in debt. Power Pay, an online computer program, can help determine which debt repayment plan will save the most money. Go to https://powerpay.org.

- **How much do I owe on the loan?** If you have only three or four payments left on a loan, consider paying it off. Be sure that you can meet your family’s basic needs while managing debt obligations. Here again, Power Pay can help you evaluate options.

- **Is a consolidation loan a good idea?** A consolidation loan trades one kind of debt for another. Be aware that the interest rate on the consolidation loan can be even higher than the original debt. However, a consolidation loan offering equal monthly fixed payments might help you to plan. The biggest potential pitfall of a consolidation loan is the ability to get in even greater debt by using your credit cards again. Then you will have the consolidation loan and all the credit card debt to pay again. Think carefully about whether you have the discipline to resist creating new debt.

(Continued on next page)
Eat your veggies!

Research shows that fruits and vegetables are critical to promoting good health. To get the recommended amount, most people need to increase the amount of fruits and vegetables they eat. To determine how much you need, go to http://www.fruitsandveggiesmatter.gov/benefits/index.html.

As you strive to eat more fruits and vegetables, follow these tips to help save money:

- Purchase whole fruits and vegetables instead of pre-cut or packaged forms, which tend to be more expensive.
- Consider frozen and canned when fresh is too expensive. Frozen and canned fruits and vegetables keep longer, too.
- Choose canned fruits packed in water or juice; avoid fruits packed in added sugar. Choose vegetables with low sodium amounts.
- Consider generic or store brands, which tend to cost less and have similar taste and nutrition.
- Purchase larger bags of frozen fruits and vegetables if they are a better bargain and you will use them all.
- Purchase canned or dried beans. When making traditional recipes that call for meat, use beans instead. Recipes such as chili, soups, and burritos are delicious with beans.

Visit www.fruitsandveggiesmatter.gov for more tips and recipes.


Paying your bills (continued from front page)

obtain future credit. For this reason, if you are unable to pay your bills, contact each creditor immediately. Consider whether credit counseling or a debt repayment plan might be helpful for your situation. See the publication “Credit Counseling: Factors to consider and what to expect” at http://www.ces.ncsu.edu/depts/fcs/resource.html.

The best strategy is for you and your family members to face the situation honestly. Openly discuss the spending decisions with all family members. This will help everyone realize that changes and sacrifices must be made for your family’s plan to be successful.

To read more, go to http://extension.org/pages/Deciding_Which_Bills_to_Pay_First

Why buy local?

Eating fruits and vegetables is a great way to eat healthfully while adding taste, color, variety, and interest to meals. Purchasing locally grown fruits and vegetables not only contributes to your health, but also contributes to the local economy.

The average meal in the United States travels 1,300 miles before reaching the dinner plate. A head of lettuce traveling from California to North Carolina uses 36 times more fossil-fuel energy in transportation costs than it provides in food energy. One way that we can reduce energy use and contribute to saving the environment is to purchase from local growers. Some estimates report that every dollar spent on locally produced foods returns $3 to $7 to the local economy. Purchasing locally helps build communities. Great places to look for local foods near you include farmers markets, farm stands, or community-supported agriculture (CSA).

Community-supported agriculture (CSA) — What is it?

Community-supported agriculture is becoming a popular way to buy local, seasonal food directly from farmers. Interested consumers purchase a share, membership, or subscription and in return receive a box of seasonal produce throughout the growing season.

Advantages for consumers

- Eat farm-fresh food
- Discover new vegetables and ways of cooking
- Develop relationships with the farmers who grow your food and learn more about how it is grown

How can I find a nearby CSA?


GATHER THE FACTS

Before you talk to your creditors, take a hard look at your situation and make decisions about how much and when you can pay. First, answer the following questions:

How much income can you count on each month?

How much money is needed to cover your family’s essential monthly living expenses?

How many creditors do you owe and what is the total amount you owe? How long is your present financial situation likely to last?

What assets (savings or items that you may be able to sell) could be used to pay off your debt?

What debts are the most important to repay first?

What debts could be satisfied by voluntarily surrendering, or giving back, the item?
How much activity do young people need?

According to the United States Department of Health and Human Services, participation in regular physical activity provides health benefits. Evidence suggests that by being physically active, aerobic fitness and muscular strength increases; muscle, bone, and fat ratios improve; bones become stronger; and symptoms of depression decrease.

Physical activity guidelines for children and adolescents focus on three types of activity: aerobic, muscle-strengthening, and bone-strengthening. All three offer health benefits. Children and adolescents should engage in one hour or more of physical activity each day. That one hour should include:

- Aerobic activities each day. Most of the hour should be spent at an intensity of moderate or vigorous.
- Muscle-strengthening activities on at least three days a week. These activities should involve a moderate to high level of effort and should work major muscle groups including legs, hips, back, abdomen, chest, shoulders, and arms.

Take charge of your health!

It's that time again. The holiday season is over and a new year is upon us. By tradition, this is the time to look back at lessons learned and contemplate ways to achieve goals in the New Year.

If you're like most Americans, lifestyle habits — including being more physically active and eating healthfully — top your resolution list every year. Resolving to improve your health is one thing; keeping that resolution is another. After a holiday season of indulging, you may tend to set unrealistic goals. For example, you may resolve to work out at your new gym every day. A better and more realistic goal would be three days a week. Better yet, just walking three to five days a week if you are inactive would be an admirable goal.

Take small steps toward a healthy lifestyle. Start by adding physical activity to your daily routine. Take the stairs instead of the elevator, park farther away from your destination, use the drive-thru less often. Work your way up to walking 30 or more minutes on most days of the week.

For long-term sustainability, keep your plan simple. Small changes are easier to maintain, and they can make a big difference over a lifetime. Simple changes include eating a healthy breakfast each morning or taking a daily ten-minute walk.

Try these tips for realistic goal setting:

- Write down your goal. State the parameters of the goal specifically. For example, "I will go for a walk for 30 minutes, four days per week."
- Create a plan. Develop a plan that meets your goals. Be realistic in terms of your time commitment and your level of interest, with sustainability in mind.
- Ask for help. Most people find reaching goals challenging. Ask for assistance from friends, family, or support groups. Maybe your spouse, sibling, co-worker, or friend is also making a resolution to be healthier this year. Mutual support can benefit both of you.
- Think small. Eating healthier and being more active includes the small choices you make each day. Every time you walk instead of ride or choose a glass of water instead of a calorie-laden beverage, you are making a healthy choice. Over time, small, healthy choices add up to make a positive difference.
- Be positive. Shame and guilt can be obstacles to change. If you feel guilty after a setback, imagine what you would say to a friend in the same situation. Most likely, you would be encouraging and supportive and help come up with some solutions to the problem. Treat yourself with the same love and respect. Do not let a setback derail your plan. Get back on track quickly.

This year, make New Year's resolutions that you can stick to for a lifetime. Simple changes in eating habits and physical activity can make a huge difference in your health. For more ideas on how to eat smart, move more, and achieve a healthy weight, visit www.MyEatSmartMoveMore.com.
Eating Well on a Budget

During these challenging economic times you may find it difficult to eat healthfully, but the good news is that by putting in place money-saving strategies, it is possible to eat well on a limited food budget.

Plan family meals for the week. Include your family's favorite meals. Look for recipes that include five or fewer ingredients. Consider your family's extracurricular activities and plan quick dinners like soup and sandwiches on evenings when meal timing is tight.

Make a shopping list. Shopping weekly helps to save time, gas, and money. Use a list to help you remember the needed items. Start by listing the things your family needs each week. Keep the list taped inside the kitchen cupboard and add to it as you finish a container of a basic item like flour or milk. Take an inventory of needed items by checking the pantry, refrigerator, and freezer before going shopping. Organize coupons that can be used for items on your list. Plan to purchase in-season fruits and vegetables, which tend to be less expensive and taste better. When you are shopping stick to your list - do not purchase items that are not on it. Shop on the aisles of the grocery store where the healthier and less expensive items are located.

Prepare your meals. Refer to your weekly menu each day. Sticking to your plan can save money. Healthy, quick, and inexpensive items can be added to any meal, such as your family's favorite canned or frozen fruit or vegetable. Round out your meal with a bowl of cut-up fruit. Check your meal plan each evening. Take out frozen items the night before you will be using them in your meal preparation. Place them in a dish in the refrigerator to thaw safely for the next day's dinner.

Eat together as a family. Families who eat meals together are more likely to eat healthfully.

Despite busy schedules, it is important to make family meals a priority. Mealtime is a great opportunity for parents and children to be together. Adults are important role models for children and can set the stage for them to learn to enjoy a wide variety of foods. Remember that children often need more time to eat than adults. Allow adequate time to enjoy the food and the company of your family. Mealtime is a perfect time to catch up on events of the day and to plan for upcoming family activities.

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Family

This quarterly newsletter is written by a team of North Carolina Cooperative Extension family and consumer education agents. The purpose of the newsletter is to inform and educate families on issues that affect them, and to provide ideas for helping improve their quality of life. An educational outreach of NC State and NC A&T State universities, Cooperative Extension is located in every county and the Cherokee Reservation.

Extensions Successful Family is produced by Family and Consumer Sciences, NC State University.

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North Carolina State University and North Carolina A&T State University commit themselves to positive action to secure equal opportunity in all of its programs and activities without regard to race, color, creed, national origin, religion, age, sex, age, veteran status, or disability. In addition, the two universities welcome all persons without regard to sexual orientation.

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Upcoming Events – Please visit our website at currituck.ces.ncsu.edu for a complete list of upcoming Extension events and programs!

February 11 - Read Me a Story child care provider training will be held from 6:30 – 8:30 pm. This qualifies as a nutrition training if you participate in the food program.

February 15 – Quarterly Currituck Child Care Association meeting at 7:00 pm

February 17 – Farms in Transition presentation


March 3 - Search Your Heart is a new program we are offering to individuals interested in learning more about heart disease and stroke prevention as well as information on nutrition and physical activity. The class will be taught on Wednesday, March 3 from 9:30 am – 11:30 am at the Currituck Cooperative Extension Center in Barco. Participating individuals will be encouraged to share the information received with others in their church or community group. There is no cost but you must call the Extension Center at 252-232-2261 to pre-register. If you are unable to attend the morning session a second class will be taught at the Pasquotank Extension Center on the same day from 5:30 – 7:30 pm.

March 6 – Shooting for the Stars Child Care Conference at the Currituck Cooperative Extension Center from 8am - 3pm with 18 different workshop topics offered. Cost is $20

April 17-Coastal Antiques Appraisal Fair will be held on Saturday, April 17 from 10am – 4pm at the Currituck Cooperative Extension Center.

March 22 – Child Care Director/Teacher Relationship building from 6:30 pm – 8:30 pm

May 11 & 12th-Northeast NC Craft Workshop is scheduled for May 11 & 12th at the Vernon James Center in Plymouth. Registration is due by April 1. The workshop is designed for anyone interested in making crafts and some of the classes taught include: collage art, glass etching, Japanese Chiyogami Tea Box, Knitting, Jewelry Christmas Tree, Silver Jewelry, Armenian Needlelace, Basketry, Stained Glass, Calligraphy, Decoy Carving, Decorative Painting, Embroidery, Pine Needle, Quilting, Smocking and Wood Burning. Call the Currituck Cooperative Extension Center at 252-232-2261 for a registration packet.

Do you have a question about Medicare? Medicare beneficiaries can call a Senior Health Insurance Information Program (SHIIP) volunteer to assist with any Medicare issue and assist with enrollment in a Medicare Prescription Plan. Are you having difficulty paying the high costs for your prescriptions? You may qualify for the low income subsidy. You can give us a call at 252-232-2261 and ask for Georgia Kight or Sheila Gregory and we may be able to help you apply for assistance.

Request to receive this newsletter via email - We’re going green and saving paper and money by providing this newsletter quarterly to anyone who would prefer to read their newsletter over the internet. If you have an email address and would prefer to receive this newsletter next quarter via email, please share your email address with Sherry at sherry_lynn@ncsu.edu or call 252-232-2261
Coastal Antiques Appraisal Fair

Saturday, April 17, 2010
10 am to 4 pm
At the Currituck Cooperative Extension Center in Barco, NC
Located off Highway 158 near the Currituck Airport

What’s in your attic?

Find out the estimated value of your antiques from professional appraisers. Shop for collectibles from local dealers. Learn some tricks to keeping your treasures beautiful at the educational workshops. Silent auction and refreshments too!
Admission is free. Appraisal fee: $10 per item or 3 items for $25.

For more information visit www.whaleheadclub.org or call 252-453-9040 ext 3

Proceeds support the Outer Banks History Center, The Whalehead Club and the NC Cooperative Extension