

Money 2000: \$18,838 Saved

The Situation

Families and individuals are continuing to experience financial problems that become interwoven with every aspect of their lives. Within the family, money issues create the most arguments. Economic stress erodes parenting skills. The absence of sound financial management often forces individuals to seek additional employment or remain in a job that provides little satisfaction.

Poor financial management skills have resulted in Idaho residents carrying an average credit card debt of \$7,000. Idaho is among the leaders in the nation in personal and business bankruptcies filed. Regular contributions to a savings account and emergency funds are almost nonexistent.

Our Response

Realizing that this problem was not created overnight, the solution must also be long term. Individuals who desired to change their financial situation needed time and educational support to accomplish their financial goals. In Bonneville County, *Money 2000* provides financial workshops every two months for 2 years. *Money 2000* started in January 1999 and will conclude in December of 2000. During 1999, "Coming to Grips With Your Finances" was used to help the participants set their financial goals, establish a budgeting plan, organize their record keeping system, and evaluate their use of credit. In addition to the workshops, newsletters were mailed quarterly. The goal is for the participants to reduce their debt or increase their savings by the end of the year 2000.

Achievements

The following subjects were taught during 1999:

- ?? "Finances: Freedom or Fiasco?" Determining achievable goals based on results from tracking spending for one month. Developing a realistic budget.
- ?? "Now Where Did I Put That?" Record Keeping: Benefits of record/filing system; How to set up a home filing system
- ?? "Using Credit Wisely" How much credit; Types of credit; Credit reports
- ?? "Getting Out of Hock" Controlling debt addiction; How to pay down your credit cards.
- ?? "Taxes and You" What forms to use; Records to keep; New tax credits available to parents and college students

Recruitment for *Money 2000* resulted in 64 participants. During this first year single and married adults have saved \$18,838.95. Their debt load has been reduced by \$10,930.00.

The following comments indicate progress has been made toward the goal of reducing debt and increasing savings:

- \$ We now pay cash for more items.
- \$ We are paying extra (at least \$100.00 more than the minimum payment) a month on credit cards.
- \$ We are trying to put \$20.00 to \$40.00 a month into our savings accounts.
- \$ We pay extra (\$73.00) on our mortgage payments every month.
- \$ We have reduced our monthly debt load by \$183.00 per month
- \$ We have been able, for the first time in our marriage, to have a paid vacation without using a credit card. We have saved \$1,000.00 for the trip and vehicle service.
- \$ It has not been easy to follow the things taught in the classes, but we have seen the rewards of doing so. Now, my wife better understands how to make a budget that is meaningful on a daily basis.

The Future

During the year 2000, we will continue with our classes every two months. Topics to be covered include: banking services, insurance, investing, fraud, and retirement.

Participating Faculty

Barbara Petty – Bonneville County Extension Educator, University of Idaho
Mary Lee Wolf - Madison County Extension Educator, University of Idaho

For More Information

Barbara D. Petty
Extension Educator
Family and Consumer Science
University of Idaho
Bonneville County Cooperative Extension System
2925 Rollandet
Idaho Falls, ID 83402
Phone: 208-529-1390
Fax: 208-529-1391
E-mail: bpetty@uidaho.edu