

Living a Rich Life as a Stay-at-Home Mom

How to Build a Secure Financial Foundation for You and Your Children

By Anita Fowler & Karen Jensen

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DEDICATION

Dedicated to our mother who stayed at home with her five children for nearly thirty years, devoting her life to the success of her children.

And to our father who taught us by example what it means to be honest, hard working, and a responsible steward of finances.

We love you both. Thank you for teaching us, sacrificing for us, and loving us.

Table of Contents

Introduction: Embarrassment at the Local Target	
1 Frugality is for Everyone	13
2 Effective, Practical, And Creative Ways to Stretch Your Income	24
3 Teaching Children and Teens	46
4 Controlling Your Money	63
5 How to Save Thousands on Groceries and Food	73
6 Get Out of Debt and Retire Rich	91
7 Money in Marriage	108
8 Mortgage and Rent Tips that Will Save You Hundreds of Thousands	115
9 The Decision to Stay at Home	130
10 Prepare Your Family for the Worst	139
11 Cultivating Contentment and Charity	149
Summary: The Noble Occupation	158
About the Authors:	163
Appendix	166

Introduction:
Embarrassment at the Local Target

*"Example isn't another way to teach, it is the only way to teach."
— Albert Einstein*

A conversation describing an event that took place at a Target store, fall of 2013:

Anita: "Karen, you have to hear what just happened."

Karen: "What?"

Anita: "I was in Target today and when I went to checkout I got behind a lady who was buying tons of stuff. The lady looked really nervous and her teenage daughter looked embarrassed. I couldn't help but notice that she had four pieces of cut up credit card in her hand. She asked the cashier, 'Can you please type in the numbers of my credit card? I know that it works because I just used this at a different store.'"

Karen: "Really?"

Anita: "Serious. The cashier didn't even stop to look up and said, 'I'm not sure. I may have to get my manager over here to do it. I've never done that before. Why can't you just swipe it?' She said that she cut it up so she wouldn't use it. Then she looked at me as if she wanted me to join the conversation. I didn't know what to say so I just smiled. Her daughter had her arms folded tightly in front of her and turned away from me. It was awkward."

Karen: "Oh man, so did the card go through?"

Anita: "Well, I guess the total was more than she was expecting. It was over \$200. So she searched around for something to take away and decided on a Tupperware container pack. She had the cashier remove it and try to charge the card. She kept saying, 'My husband is going to kill me,' and was fidgeting around in her Gucci purse. Then she started telling me she had that card stashed in the freezer, and promised her husband she'd never use it except in emergencies. She even asked, 'But this counts as an emergency right?'"

Karen: "In the freezer? What? What did you say to her?"

Anita: "Well, I looked at her stuff and it all seemed like non-essentials. There was no food, just clothes and home décor stuff. So I just smiled and nodded."

Karen: "That's a little awkward."

Anita: “Yeah, it was especially awkward for her daughter. I looked at her face and it began to turn red. She kept saying things like, ‘Mom, you don’t need this stuff. Let’s just go.’ I felt really bad for her.”

Karen: “I feel bad for her too. That’s terrible.”

Anita: “I imagine her parents will probably fight about this.”

Karen: “Probably. That’s sad. So did the card go through?”

Anita: “Well, it took a couple tries. I think the third time the card finally went through. As soon as it did her daughter took off. She quickly packed up her cart and chased after her.”

Karen: “Wow. That’s pretty crazy. It sounds like that lady could use some financial help.”

Anita: “For sure. I wanted to tell her about my blog but I was worried about embarrassing her even more. The cashier was impressed that I saved over \$100 on my total with coupons, and I told her that I really wished I could help the lady with the cut up credit card learn how to do this. The cashier just nodded her head and muttered ‘She needs it.’”

Karen: “What she really needs is to learn how to manage her money.”

Anita: “It’s true. But if you think about it, she probably hasn’t had very many opportunities to learn. All throughout junior high, high school, and even college I never had any classes on money management. If you don’t take a specific course on it (which I don’t think most students do), you just don’t learn it. The only place most people learn to handle money is in their home.”

Karen: “I’m just glad mom and dad taught us how to manage money.”

Anita: “Yeah, it’s pretty incredible that mom and dad and grandma and grandpa started out their marriages with nothing and are now very wealthy. They taught us well. I just wish there were a way for us to help other mothers learn what we did.”

Preface by Anita and Karen, January 2015:

Shortly after this event we started thinking about how we could best help mothers overcome financial struggles. We suspected that money is a sore spot for many families so we decided to conduct a women’s financial survey. Most of the comments and answers from the survey saddened us.

Many women expressed anxiety over always trying to stretch their paycheck out until next payday. A vast majority do not know how to budget, and even the word makes them cringe. Many of them feel like they need to increase their financial contribution to the family, but at the same time do all of the work that comes along with raising their children.

Many mothers feel their own wants are ALWAYS put on hold because diapers, groceries, piano lessons, and a million other needs take precedence. A few even mentioned they were worried about their marriage because of the contention caused by money problems.

This is not a peaceful way to live life. As humans we yearn for security. Yet many people live lives full of financial anxiety or downright stress.

We know how difficult living on a modest income is in this economy. We face similar

circumstances and can relate to many of these mothers. But because we have had a unique financial education (being raised and taught by very successful money managers), we have been able to stay out of debt (besides our mortgages), set aside savings, and enjoy financial peace.

As we saw so many common distressing concerns from thousands of mothers, we decided to write a book. We wanted it to be an easy to read, comprehensive, financial guide for mothers, specifically Stay-at-Home Mothers, because that is what we are.

Thus, we have worked for over a year to include the best advice and resources we could while also trying to make it fun, easy to understand, and useful.

We do want to make it very clear that although money can do much good in the world, money in and of itself does not create a truly rich life. Benjamin Franklin taught us this great principle: "Money has never made man happy, nor will it, there is nothing in its nature to produce happiness. The more of it one has the more one wants."

Our families are able to have a home, heat a home, and put food on the table because we have money. We were able to get degrees because of the money we each worked and saved for ourselves. Money can and does do many great things. But the obsession and love of money does not bring happiness. The Bible teaches us that the love of money is the root of all evil (1 Tim 6:10). Financial peace is a requirement to living well, yet the all-consuming love of money can destroy us.

Living a truly rich life encompasses not only having financial peace of mind, but also focusing on non-monetary aspects of life such as enjoying strong family relationships, nurturing faith, experiencing love, and exercising compassion. In this book, we will focus mainly on obtaining financial peace, but we will occasionally address other principles that comprise living a truly rich life.

Our hope is that the guidance and wisdom we have been taught will inspire and assist you in building a secure financial foundation for you and your children.

Anita & Karen

Frugality is for Everyone

"Frugality includes all the other virtues."

— Cicero

Anita:

"Ready!" I yelled out the window at my two high school friends, my foot holding the clutch of my 1980's Honda Prelude tightly against the floorboard. I watched them in the rear view mirror as they began pushing together to get my car moving. Once it had some momentum, I popped the clutch and revved the engine. My friends knew we were good to go because of the loud squealing noises coming from under the hood. They cheered as I pulled away. When I could, I turned around and went back to pick them up.

"Hop in!" I said. They jumped in, put on their seatbelts, and we were off to the mall (our main place to hang out on the weekends). When we got there we headed to our favorite stores: Gap, Express, and a few others.

In each store I always went straight to the clearance and sale racks. I knew that the hard-earned money I had in my pocket wouldn't go far, and I still had to pay to fill the car up with gas.

My friends bought some clothes with the money their moms had given them, and I bought a shirt off the clearance rack.

On the way out of the mall they saw that I had only bought one shirt and one of them asked, "Doesn't your dad own that big company?"

"Yeah, he does." I replied.

"Well, then your parents have money, right? So, why don't they give you some to shop with and buy you a better car to drive?"

I explained that my parents are very frugal and don't spend money on things they don't need. I told them what being frugal meant and that my dad only buys used vehicles that are reliable. After he drives them for years he hands them down to my older siblings and I get the hand-me-down cars after my siblings have driven them. I told them that we drive cars until they completely wear out. They were a bit perplexed by it since they would be getting much nicer vehicles when they turned 16, but said they were grateful we had a car to drive to the mall. Our attention was diverted when a group of cute boys walked past, and the conversation about frugality ended.

Questions about why I had to work so hard for the money I earned, why I couldn't simply ask my parents for spending cash, and why I was only allowed to spend 80% of my pay were often asked while I was growing up.

As children of amazing money managers, Karen and I were never just given money. We were expected to earn it ourselves and taught how to manage it wisely. We (and all of our siblings) each had a shoe box piggy bank with three parts. In one compartment we put 10% for tithing (church donations), in another we put 10% for savings (college fund), and in the last we put the rest of the 80% for spending money. Karen explains this practice in detail later in the book.

Karen and I are different. She is a natural born saver; I'm a spender. Her 80% was always there in her shoebox until she really wanted something. After much research, study, and saving, she made

her purchases.

I remember going with her to buy a Sony Walkman cassette player. She had researched and saved for a real one—not the knock off brand—because it was the one that would last her the longest. She rarely spent frivolously.

I, on the other hand, always worked very hard like her, but am just the opposite when it comes to spending. The 80% spending side of my shoe box was always empty. I loved makeup, jewelry, clearance clothes, snowboarding gear, and such. Because of our shoebox piggy bank system, and because I had to work so hard for my money, I began very early on learning and perfecting the art of getting more for less.

I learned principles of frugality and thrift from my grandma.

My paternal grandma (although a millionaire by that time) would often take me out garage selling. We would find lots of really nice things and pay pennies on the dollar for them. I remember how she bought tons of huge baskets at the thrift stores and would save them up over the few months leading up to December. Then at Christmas time we would fill them with oranges, treats, and all sorts of things for the neighbors as gifts. They looked to me like professional \$150 Christmas baskets you would buy at an expensive boutique. But she probably spent very little on each one. I remember taking them around to her neighbors and seeing the shock and smile on their faces as I handed them an enormous basket full of Christmas goodies.

She would also carry coupons with her. Whenever we went out to eat she would check to see if she had a coupon. When I went to visit her she would send me home with coupons. I was fairly young and didn't really understand what they were but as I got older I started realizing that she was saving lots of money with paper!

She and my grandpa own several homes that they furnished and decorated. One day I learned that she got most of the things in those homes from thrift stores and garage sales. They were gorgeous and looked very expensive. When I found out I asked incredulously, "You bought all of these things from thrift stores and garage sales?" She answered in a matter of fact way and asked, "Yes. How do you think I could furnish and decorate all of these homes?" I thought to myself, 'My rich grandma shops at thrift stores and garage sales and buys this nice stuff? That's cool.' From that day on I knew I'd be a thrift-store-garage-selling-couponing-diva.

My dad has always been an example of living frugally. He and my mother lived in a garage apartment for a number years while they saved up enough money to buy a piece of land. Then, when he was about 25, he built their house himself. It took him two years to build it because he worked a full time job at the same time. They have lived in the same house ever since—about thirty-five years now. As soon as I knew what money was he began talking to me about using money to make money. He has been a very successful investor. Many people in the neighborhood would've never guessed he was so wealthy because he rarely shows it.

Although Karen and I were complete opposites in spending patterns, we both saved 10% of what we earned. What we were taught by my parents and grandparents, who started out very poor and became independently wealthy, was that creating wealth isn't based so much on how much you make, but on how much you keep.

I once spoke with an accountant who told me (without giving me any specific details) that many of his clients make A LOT of money each year. But, he continued, even though they look and act rich, and they make A LOT of money, they are in the negative because they overspend their income.

He said, "You may think having a huge income ensures your wealth; it doesn't. I go through credit card statement after credit card statement, and I am consistently surprised that my clients can even find ways to spend so much money! They overspend what most consider a huge income."

When I first realized this—that *rich people can overspend*—I was surprised. I used to think if I were to land an incredibly high paying job, have a successful business, marry a doctor, or win the lottery, I'd be set for life. **NOT TRUE.**

Living a rich life (materially and non-materially) requires that you have financial peace of mind.

Financial peace of mind cannot come when you don't have enough to pay the bills and are consistently racking up debt. It comes through discipline, spending less than you make, getting out of debt, and setting excess money aside for security purposes.

Although our society would have us believe that the ultra-rich can spend extravagantly and still be wealthy, in most cases, if they don't manage their money properly, they won't hold onto their wealth.

Both high and low income earners need to use correct money managing principles if they are to enjoy the peace that comes with having a secure financial foundation. One of the first and major financial principles we learned is to be frugal. My grandparents were faced with the difficult predicament of only being paid once a month while my grandpa served in the military. They had to manage their money to last for the entire month. They also tried to put a little money away for a rainy day. They speak fondly of the fact that once in a while they even had a nickel left at the end of the month to go get root beer floats.

I have always admired the consistency and discipline of my parents and grandparents. I have come to really respect the difficulty of making it on a single income. When I first became a stay-at-home mom, things got really tight trying to stretch our earnings to cover all of the bills. I sometimes wondered how we would make it to the next payday. I was so grateful for the principles of frugality that helped us adjust to less income.

A wealthy doctor Karen knows lives in a modest home and drives a really old minivan to work every day. During the recession, which hit her state very hard, a lot of medical professionals lost their practices. He didn't because of his frugality and money management tactics.

As you can see, frugal living isn't just for those of a lower income. It is for everyone. In fact, in our family we often say that frugality is what makes wealthy people. What I've come to learn is that thriftiness is practiced by people with a certain frame of mind. And, as mentioned before, it can be learned no matter what your income.

Psychologists have found and continue to prove that at the roots of our thoughts and actions are beliefs that we formed quite strongly while we were young. Psychologists call this our family origins. And while I'd like to think that it is not really the case (I like to be independent), I continue coming back to the realization that a lot of who I am today, including my relationship with money, stems from my family and what I observed and was taught in my youth.

While this is a proven truth (that our actions are the product of the beliefs we formed when we were children), it does not mean we cannot change. Although most frugal-minded people learned these ways from their parents and other family members, others have learned it by seeking out and implementing thriftiness.

Becoming frugal is a process: Learn how to be frugal, believe you ARE frugal, ACT on what you have learned and your beliefs, and start becoming financially secure.

Frugality is about making do with what you have, finding a way to fix what breaks, saving and paying cash for the items you need, and getting them for the best deal possible. It is also about planning ahead and preparing for emergencies by creating an emergency/savings fund. Does that sound like a lot? The list can be overwhelming. Let's break it down for you and include steps and ways to implement each skill.

Ways to Become Frugal:

Use money correctly.

If you are a kind and caring people pleaser (like me and many other women) let me let you in on a little secret: Businesses will survive if you become frugal. Your kids will survive if they don't have the BEST of everything (in fact the humility and self-sacrifice will make them much better individuals in the long run). If your friends disown you for not being able to go on expensive trips,

dress in designer attire, or eat out at fine dining restaurants, let them go. You will find truer friends. The point is, if you are using money to please people (including spending money on items to impress others), you are not using money correctly.

Buy used whenever you can as long as the item is in good condition or works.



have NO IDEA I furnished, painted, and decorated rooms for so little.

We saved over \$45,000 on our home renovation by reusing and recycling items. And home is beautiful, in my opinion of course.

Although buying used will save you immensely, be leery about such things as non-and/or stolen items. For example, if shopping for a washing machine, only buy one that is hooked up and that you can watch go through a cycle to see that it works, drains right, and forth.

Make sure a dryer is warm/hot after it runs for a few minutes. Require the owner of a refrigerator to have it on and a thermostat inside so you can verify it works. If they won't have it hooked up, don't buy it.

Another idea for buying appliances is to check the scratch and dent section first. Many brand new appliances get small scratches or dents in shipping and are sold for less than half the cost of what you would pay for it in a showroom...and it is still brand new. When buying a used cell phone, call Verizon, AT&T, etc. and make sure it wasn't stolen. **Check out my blog post about successfully garage/yard selling here.**

Fix it up and wear it out.

Our mailbox has been hit multiple times by cars coming down the road. In fact, I think my husband even hit it when he was parallel parking on the street. It's plastic so it's been hanging on for a while. Sometimes it looks like it is going to come apart completely when the mailman puts something heavy in it. I was researching and planning on buying a mailbox when I realized how expensive a reliable mailbox is. They were all over \$130 each. So instead of buying one, I took out our drill, some screws, and black duct tape (our mailbox is black) to fix it up.

In about fifteen minutes it became sturdy enough to last us another few years (or until someone hits it again). And it didn't look half bad (I tried to conceal the black duct tape). I've been really pleased with my 'jimmy rigging,' which has held up for over 9 months. The neat thing is that a few months after I fixed it up, I found a mailbox (the sturdy metal kind) stand and all for \$10 at a garage sale. I'm storing it in our garage and anticipating the day when someone hits our mailbox again. When they do we will replace it with the \$10 one (which I will paint and make look nice) that I

You don't have to give up having nice decorations or wearing nice clothing if that is your thing. You just need to figure out how to get them inexpensively. I decorated **both these nurseries** for under \$500 each when the typical nursery costs \$2,000-\$5,000. I decorated our living room for \$560 (including designer furniture) when the average living room costs \$10,000-\$30,000 to furnish and decorate nicely.

Read **"How to Save Home Renovations,"** a from my blog on how I and the results. You can judge, but many people



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found at a garage sale.

Another example of this is when our refrigerator broke during our home renovation, which was not good timing because we didn't have a lot of money. I called a repairman in to look at it. He kept telling me that I just had to buy a new one. I kindly asked him to just diagnose the problem (which I was paying him for). I watched as he took the switchboards out and then he told me the computer had been fried when the power surged. So I told him thank you and paid him the \$45 for the diagnosis.

Then I called a parts supplier and told them the make and the model of the fridge. I bought the computer board part for \$65, drove to the parts store that same day, came home and plugged it in. I screwed the board back in and for the last three years that fridge has been running fine. Granted it runs really cold on the lowest settings but I haven't had to spend the \$1,000+ for a new fridge yet.

Let stuff wear down, fix it back up and let it wear down again. When it truly has lost its life, find inexpensive ways to replace it. Sometimes while you are letting something wear out completely, you will come across a great deal that you can buy for the inevitable (like I did for the mailbox). I know that our fridge will eventually give out, so I am keeping my eye open for some great deals. I just won't buy until it either breaks or I find a deal so good I can't pass it up.

Patience and persistence are a part of being frugal.

Sell things you don't need.

When we did our renovation, I listed everything we pulled out on a local classified website (similar to Craigslist). I came to find out that you can sell things even if to you they are JUNK! The age-old saying is true, 'one man's trash is another man's treasure.' Realize that just because you don't want the item anymore doesn't mean someone else won't. We listed the oldest ugliest sink I'd ever seen and to my surprise someone bought it! We sold old toilets for \$10 each and a guy came that same day for both of them. We sold old ceiling fans, curtains, decorations, tables etc. and I was truly shocked at how those items kept on rolling out our front door as the cash came piling in.

On the flip side, we bought used lighting, a chandelier, a vanity, kitchen cabinets, sinks, dishwasher, dryer, washer, etc. all used because the owners we bought them from also thought their used belongings were junk, or at least were no longer needed. So, before you toss it or donate it, list it online on either Amazon.com or a local online classified site like Craigslist (I have the most success with online local classified websites).

Go without.

We are a spoiled people here in America. After going to Mexico a few times (deep into the small cities and towns), and living in Taiwan, New Zealand, and Germany (all three places that are considered 1st world countries), I was shocked at how Americans live compared to the rest of the world.

America is more comfortable. FREE public restrooms are available on about every corner or in every store. A variety of foods are easily accessible and much cheaper than in other countries. We need to recognize that we have the capacity to buy so much more than other people in the world and be grateful for it. If you've lived elsewhere, this is nothing new. If you haven't, trust me when I say Americans are so unbelievably blessed.

When I was in junior high my best friend went to Mexico with her family. She came back with such great stories to tell. She pulled out a frame of a family she met while there. She told me that they visited this family (pictured in the frame) and that they were wonderfully kind, yet poor. Then she said they only had this one picture frame as decoration and before we left they gave it to us. Shocked I said, "What? Why did you accept it?" She told me her dad said they insisted and would feel bad if he didn't accept it. I was amazed at how generous poor people can be. It made a huge

impression on me. I also realized how materially blessed we are in America.

So much material wealth and consumerism available at our fingertips can be tempting. I, for one, love to shop. I love to acquire things. I hate clutter but I love shopping. I have a hard time tempering myself. When I go to the thrift store I force myself to put almost half of what I put in my cart back on the shelves because I typically don't NEED the items.

Sometimes when a child is told he can't have something, he wants it all the more. We may respond the same way as adults. So instead of saying to yourself, 'oh you can't have that' it may be better to say, 'you can choose to either buy that item or to save that money. It's your choice'. Other questions to ask yourself could be: Do I need the item? Did I want the item before I saw it? If I didn't buy it would I regret it? These are all ways to help you to proactively avoid impulse buying.

Give it away.

While in Germany on an LDS mission, my companion (co-worker) and I visited an old man often. His name was Wolfgang. He had so many stories to tell, and we learned a lot about him. On Christmas he gave both me and my co-worker quite a bit of money-enough to buy us food for a few weeks. As we were on our way home my companion said, "Let's go drop this in a certain family's mailbox (who were in need) on the way home."

I asked, "All of it?"

She said, "Well I'm giving all mine. You can give whatever you want."

So I said, "I'll give all mine too."

We put it in an envelope and wrote: To the ____ Family, We wish you a Merry Christmas (so they wouldn't think it was accidently placed there). We wrote in horrendous handwriting and triple checked our German grammar (so they wouldn't know it was us) and we dropped it in their mailbox.

I don't think I'll ever forget how awesome that felt to get a gift that someone sacrificed for us and then to turn around and sacrifice a little to give it to someone who needed it much more than we did.

Giving is very important for those who want to live frugally. As we look outside of ourselves, we are confronted with the reality that others have less than we do. A sense of gratitude is fostered within us.

Being frugal is being wise with the donations you give. About 100% of the donation should be going to the intended recipients. Unfortunately, some of the most popular organizations only give a percentage of what they raise to the intended recipient (mainly so they can market, advertise to get more, and pay the administration). So, seek out charities you can donate to and feel good about the fact that you know where and how much of the money is being delivered.

Don't enable.

There is a difference between giving gifts, charity, or donations, and enabling. Giving money to people just because they ask or want it is enabling them. You are teaching them that money can be requested and has no value. Teach your children and those around you that you only give to those in genuine need.

A good rule of thumb is that people living in 3rd or 4th world countries usually need true assistance. Their resources are limited, usually their governments are suppressive and inefficient, and they are truly in poverty. Also, giving in 1st and 2nd world countries to those who experience tragic accidents, a death of the breadwinner, handicaps, emergency surgeries, and so forth are all good reasons you could give while not enabling.

Continually bailing family or friends out is not wise, even if they beg for it. They have to learn the correlation between work and money. If they do not learn to rely on their own work and learn

to manage their money, they will never be self-reliant.

Plan ahead.

In order to stay self-reliant and continue to be frugal, you must account for the realities of life. Keep a savings that you never touch except in an emergency. Get home insurance as well as health coverage. You never know when accidents will strike. I have had a few major injuries (requiring surgery) and one emergency surgery. Had I not had health insurance I would have been financially devastated.

Car insurance is required so most have it. I recommend having the right coverage for your vehicle. If your car isn't worth much then having liability only may be sufficient. If you always keep a savings you can save money by having a higher deductible. But make sure you have enough insurance to protect yourself, and anyone else who may be involved, because you never know what could happen and whether the other party will have sufficient insurance.

Plan ahead. Prepare for the worst but expect the best. You don't have to believe in the apocalypse. Just be sure to insure and protect your family, home, and valuable assets.

Being frugal is a combination of beliefs, mindset, and actions. Frugal people (no matter what their income) look for ways to save, fix things up, sell what they no longer need, and/or go without. They plan for emergencies and are protected when they happen. They also give away a portion of their income they have to truly needy people.

Becoming frugal is a major and necessary step to financial freedom and peace.

Effective, Practical, and Creative Ways to Stretch Your Income

*"The habit of saving is itself an education; it fosters every virtue, teaches self-denial, cultivates the sense of order, trains to forethought, and so broadens the mind."
— T.T. Munger*

Karen:

A penny saved is much, much more than a penny earned.

You know the old adage, "A penny saved is a penny earned." Well, I am convinced that while that principle may have been true when it was penned, it certainly isn't the case today.

Think about it this way: If you earn a dollar at work you still have to pay federal taxes, state taxes, social security, etc. The dollar you earned at work comes to you in your paycheck as maybe around 80 cents, depending on your tax bracket. Then, if you are like me, a portion of the 80 cents still needs to go to tithing and savings. Meaning you come away with 60 or so cents to actually spend for every dollar you earned. If you take that 60 cents to the gas station and grab a piece of candy on your way out for 55 cents, you now have to pay sales tax of about 5 extra cents, costing you the remaining 60 cents. Thus, the dollar you just earned at work is completely gone, spent on a 55-cent piece of candy.

On the other hand, the dollar you already have in your pocket has already had all the taxes and other things taken out of it. So if you save that dollar instead of spending it, you are much better off than just going out and earning another dollar. Plus, if you save the dollar instead of spending it, you won't be spending even more money on the sales tax when you buy something. AND you can invest that dollar, making yourself even more money.

Because of this reasoning, or maybe just because it is inbred into me, I try to be extremely careful about where I spend my money. I also feel that my husband works hard to earn the money necessary to take care of our family, and it is a sacrifice for him and for me when he is away from our family. I certainly don't want to waste the money he makes on frivolous things because I want him to be able to spend as much time with our family as possible. If we got ourselves into financial trouble it would mean that either he would have to work more hours or I would have to leave the kids and spend time away from our family at work. I believe in being a good steward and treating the things (or money) I have with care.

How Stay-At-Home Moms Can Make or Break the Bank:

I believe every stay-at-home mom has a huge impact on the financial situation her family faces. In many cases it is the stay-at-home mom who does the shopping, pays the bills, makes decisions about purchases, and answers the phone/door when the salesman calls. I know every stay-at-home mom can implement practices that would help ensure their money isn't spent frivolously. Here are

a few ways I have tried to keep our hard earned dollars in our bank account.

Avoid monthly fees and contracts.

When I was in the business program at Brigham Young University, they taught us that one of the very best ways to make your business successful is to get people to pay you on a monthly basis. They said it will make your business extremely profitable if you can find some way to collect a monthly amount from people instead of a one-time sell. It makes sense, of course, for the businesses, because they get continual income coming in, month after month. But if that tactic is a great way for businesses to make money than it would also make sense that it is also a great way for consumers to lose money. While the business has continual income coming in, you have continual expense going out, with no end in sight. Many businesses try to lock you into a contract so even if you wanted to discontinue using their services, you can't do so without incurring a penalty. This is great idea for businesses but is often a really bad idea for consumers.

Now, many times there is just no way around paying continually for some services such as utilities, insurance, etc. But many people fall into the trap of thinking everything we buy has to have a monthly fee associated with it. Many people lease vehicles now, paying a monthly fee on something they will just give back when their lease is up and *never* actually own. Many people pay lots of money in monthly fees for gym memberships they don't use, cable TV they don't need, and so forth.

One great example I have seen of this tactic is the alarm system business. This smooth talking, charming young college kid shows up at your door and offers to install a state-of-the-art alarm system in your home for free! Free...as long as you agree to enter into a contract to let them monitor your service for a monthly fee...indefinitely. I mean, what a perfect set up for the alarm system business! Now you will be paying them \$360 per year, for years and years to come, when you could have gone out and purchased your own alarm system for \$150. I don't have anything against alarm systems or businesses. I'm just trying to make the point that as consumers, we need to be aware of what the businesses' tactics are, and use discretion in paying for things month after month.

I have always been very careful about which contracts I enter into and avoid them altogether if I can. Stay-at-home moms are often the ones who answer the door or phone when the sales calls come in. So when that friendly alarm system salesman shows up at your door offering to install an entire alarm system for **free**...just think about how much you will really be paying for it in the long run.

Be wise with vehicles.

Vehicles can be tricky, even scary for some who feel like they don't know enough to make good decisions. Learning more about vehicles can empower you to make great decisions. Here are some good things to keep in mind:

1. A car payment does not have to be a part of your life.

The idea of the 'never-ending car payment' has become so widely accepted that some people lease, or basically rent their vehicles. Did you know that a monthly lease payment does not gain you any ownership in the vehicle? When you lease you are basically renting a vehicle for a certain number of years, after which, you will return the vehicle and have nothing to show for the thousands of dollars you just paid to lease it.

What is the alternative to this mistake? Buy your vehicles and pay cash for them if at all possible! If paying cash is not a possibility and the car is a necessity, get a low interest loan that you can pay off quickly, thereby freeing yourself from the monthly payment.

When I was just out of college and beginning a full time job, I needed a vehicle. I didn't have the money to pay cash for one. So I searched and searched and found a great deal on a two-year-old Toyota Camry with low miles. I got a five-year loan with a very low interest rate and an affordable payment from my credit union. I committed to make at least double payments every month, which I did. Because of the additional payments I made, I was able to pay it off in less than two years. After I was married, we decided to buy a family vehicle. We waited three years to earn the money so we could pay cash for it. Paying cash for vehicles is an extremely smart financial decision that will save you thousands of dollars over your lifetime. If you do have to get a loan, pay it off as quickly as possible. This brings me to the next mistake people often make with vehicles.

2. If you always have a new car, you'll always have new debt.

When many people finally pay off their car loan (or sometimes even before), they trade their perfectly good vehicle in for a new one, with a new loan to accompany it. You can never get out of debt this way. When you trade a vehicle in on the purchase of a new one, you are starting your loan completely over again.

Anita:

I bought a Subaru Impreza that I loved and eventually paid off. When I went in to get a free oil change at the dealership a car salesman approached me. We began talking and I told him I had my vehicle paid off. He was surprised because I was a younger person and told me that I was one of the very few. While waiting for my oil change I saw a newer model of my same car that I wanted and began crunching the numbers.

I called my grandparents and told them that I was looking to get into a newer vehicle of the same, and it would only cost me \$7,000 or so dollars to upgrade. I'll never forget what they said. They simply said, "Anita, you never get ahead by going into more consumer debt." I dropped the idea of the upgrade and appreciated the car I had.

The lesson that you never get ahead by going into consumer debt is a lesson I'm very glad they taught me. Six years later I'm still driving my Subaru. It has had very few issues over the 10 years I've owned it. And because it's been paid off for over six years, I've saved thousands by not having a car payment.

Karen:

Another reason trading a vehicle in is often not the best idea is that you won't get fair market value for your vehicle. The dealerships want to make money when they sell your used vehicle, so they offer you less than fair market value. Then when they sell it, they raise the price in order to make their profit. In most cases, you are better off selling your vehicle yourself.

Additionally, some dealerships use unpleasant practices in order to pressure you into buying something from them. I had a friend who wanted to look at a new car and asked me to go with her. When we pulled up, the salesman asked us if we were interested in trading in the vehicle we were driving. My friend said she was unsure of anything and just wanted to look at the new car. The salesman told us he would just check to 'see what he could do' and took our vehicle around back.

We test drove the new car and were ready to leave. The salesman gave us a piece of paper showing the amount they would give us for her car. We declined and told him we were ready to go. The salesman would not give us the keys to our own car! Instead, he insisted that we talk to his manager. The manager came out and gave us a better offer for her car and kept pressuring her into trading it in on a new one. We asked for the keys several times without having any success. Finally, we had to demand that they give us our keys before they finally handed them

over.

My friend and I were very upset after this experience. We felt they had been deceitful, unethical, and unprofessional. So please use caution. Don't let a salesperson put excessive pressure on you, don't give anyone your car keys whom you don't trust, and don't stay in any situation that you are uncomfortable with.

3. Buying from dealerships can have hidden consequences.

Many people buy brand new vehicles from dealerships. While I can't say you should never buy a new car, I will say that you should be aware of a few things. First of all, once you drive that car off the lot it loses thousands of dollars in value. If you tried to sell it the next day, you would not be able to get the same amount of money out of it that you just paid for it.

Also, dealerships are notorious for charging extra fees. The price you negotiate for the car is almost never the price you will end up paying. The fees are usually very costly and sometimes not even disclosed. If you allow the dealerships to finance your purchase, they often just wrap all the fees up in your loan, and you never know the difference. Also, dealerships get kickbacks from the financing companies. The higher interest rate they charge you on your loan, the more money they make. So even if you qualified for a lower interest rate, they would try to give you a higher one. I am not saying this is the case for all dealerships, but it is extremely common. Even at other types of dealerships this is the case. When I managed an ATV dealership, customers drove two extra hours to buy from us in order to avoid the hundreds of dollars in fees charged by Las Vegas dealerships. So be very careful about shopping at dealerships.

If not at a dealership than where should you buy your vehicle? My husband is the master at finding great deals on vehicles, and he is helping me write this section. We actually have friends who tell him to find their vehicles for them. Where does he find them? Almost without exception, he buys them from private party sellers (regular people who are selling their own vehicles). How does he find the private sellers? He looks at online classified ads like Craigslist, KSL.com, online newspaper classifieds, etc. Why private party sellers? Most of the time you can get the vehicle for less money from a private seller than at a dealership and you don't have to pay all the extra fees. Also, you can ask the owners about the history of the vehicle. These are the types of questions you should ask:

- a. Always ask if it has a clean title. This is a huge one! Avoid rebuilt, salvaged, or other branded titles.
- b. Ask if they have the title in hand. Never buy a vehicle without having the title in hand or being assured by the bank that you will receive the title. Make sure the title is legitimate and has no liens.
- c. Ask how long they have owned the vehicle, if they are the original owner, why they are selling it, are there any problems with it, accidents, etc.
- d. Ask them for the VIN# of the vehicle.

After you talk to them look up the VIN# on Carfax.com to ensure they are telling the truth. Carfax reports are usually fairly accurate.

When you go look at the car here are some things to look for:

- a. Look underneath it to see if there are any oil leaks, bangs, dents, or scrapes.
- b. Check to see if the tires are good, the oil level is good, the condition of the interior is good, and so forth.
- c. Check to see how easily it starts and how well it runs.
- d. While test driving, notice if it shakes, rattles, pulls to one side or the other, or makes any funny sounds.

If you are very interested in the vehicle, you can take it to a certified mechanic and have them

inspect it. They will know what to check for and can tell you whether the vehicle is in good condition. Based on the information you receive through this process, you should get a pretty good idea if this vehicle is the right one for you.

4. Don't give up on your vehicle too soon.

Many people give up on a vehicle as soon as it has a problem. Good cars are not meant to be disposable items. You can lose hundreds of thousands of miles by giving up on a vehicle too soon. My father gave me excellent advice before I purchased that first Camry. He told me to buy a vehicle with a great reputation for being reliable, to buy it slightly used with low miles, and to use it as long as possible. That was fifteen years ago, and that Camry just recently blew up with 299,000 miles on it. I also followed that advice when buying our family vehicle eight years ago, and it is still running great. We will drive it for many years to come.

My grandmother left us a very old car when she passed on. Most people would have just donated it to the scrapyard. My dad, on the other hand, replaced the transmission and gave it to my sister to drive. That was three years ago and my sister is still driving that 23-year-old car.

5. Be proactive about your car repairs and maintenance.

Many people don't maintain their vehicles on a regular basis. My husband tells the story when his Dad, who never maintains anything, had an old truck that ran really rough and then died right in front of their house. In his frustration, he told his neighbor he would sell it to him for really cheap. My husband watched the neighbor go buy new spark plugs, bring them back to their house, install them in the truck, and then drive happily away. My husband learned that vehicles need to be maintained. That truck ran for at least another five years.

There are multiple ways to save money when dealing with vehicles. There are also multiple ways to lose lots and lots of money. Be aware that honesty does not always prevail in this arena. So please be wise. Even if you have very limited knowledge about vehicles, that is no reason to let banks, dealerships, or dishonest people make tons of money off you. Use your resources, talk to people you trust, do some research, and be smart. By implementing these ideas, you can save yourself thousands of dollars.

Be careful with how much you are paying for health insurance.

This topic is something that we didn't want to write about because it is so totally overwhelming and confusing. And since each state has different plans and insurance carriers it is really difficult to give specific advice on. However, it has become such a HUGE cost now, we felt like we needed to address it. Since the Affordable HealthCare Act is in effect now, our understanding is that US citizens have four main options (possibly a fifth for some).

1. Receive health insurance through your employment if your employer offers it (in this case you are not allowed to go through the exchange).
2. Buy an insurance policy approved by the Affordable HealthCare Act from a private insurance carrier and pay full price.
3. Go through the "exchange" where, depending on your income, you could receive tax credits toward the cost of your premiums. In this case you will need to disclose your yearly income and choose a policy offered through the "exchange."
4. Do not buy a health insurance policy approved by the Affordable HealthCare Act, and pay a penalty of up to 2% of your income (2015). This penalty increases in the future.
5. Some Christians may qualify to join a health-sharing group, which is not exactly health insurance but is health coverage and will exempt you from having to pay the penalty.

Anita wrote [a blog post about the Affordable HealthCare Act](#) and the things to keep in mind

when you are searching for health insurance. She also mentions some experiences she has had with the health plan she purchased through the exchange and the things she has learned. It is a great resource for anyone who is making decisions related to healthcare.

My personal experience with our plan through the exchange has been very disappointing. I feel like the premiums and deductibles are way too high for only covering preventative treatments. For instance, if you pay \$600 a month you are paying \$7200 per year in just premiums. If your deductible is \$5000, which is very common on these plans now, then you are responsible to pay \$12,200 before your insurance provider pays ANYTHING except preventative. I personally have never spent that much money on medical costs in one year for our entire family (thankfully). We could easily spend that much, however, if there were an accident, which is why most people have health insurance.

Many people want health insurance purely for catastrophic purposes. However, catastrophic policies do not count toward fulfilling the Affordable HealthCare Act requirement for those over thirty years old. They do still exist and you can purchase them, but you will still be required to pay the penalty. This brings me to an interesting conversation I had with a health insurance agent:

I had spoken with a few different insurance agents about this new healthcare system, and after hashing over many different options for hours I was extremely frustrated. Finally, in exasperation I ranted, "It just makes me want to not even buy insurance and just pay the penalty!"

The agent said, "Well, in all honesty Karen, that is what I am going to do."

I was shocked!

I said, "What? You make your living selling health insurance!"

The agent said, "Yes, but I am still an American, and I can choose, and honestly I cannot afford to pay \$15,000 per year for health insurance. I have three kids, and I just can't afford it. I am going to buy a catastrophic plan in case of an accident or something, but even if I paid a few hundred dollars a month for a catastrophic plan AND the penalty, it will still be much cheaper for me." The agent didn't suggest that I do the same thing and actually said it would be wise to talk things over with my accountant. But I found it very telling that someone who knows so much about health insurance is choosing not to participate in the Affordable Health Care Act.

Anita's situation is a bit different. Although she had a horrible experience the first year being on a plan within the Marketplace, it was because of the lack of knowledge she had on how to choose a good plan. She found after a year of problems with her plan that in order for the company she was with to compensate for the rising costs of offering preventative care for free and accepting anyone onto their plans, they have really limited their network, resources, and coverage. They have also put into policy a lot of hoops through which members must jump.

She will now be getting on a much more reliable plan in the marketplace and is looking forward to getting health care without so many problems and out of pocket costs. She is lucky to get on a great plan which, unfortunately for me, is specific to her state. As mentioned above, her **blog post about secrets, tips, and info that every person should know about Obamacare** is a must read before choosing your plan within the marketplace.

My brother's company offers health insurance but it is a high deductible plan and is very expensive. He felt like he really wasn't getting much for all the money he was paying. He did research into Christian health-sharing groups and decided to join one of those groups. There are four health-sharing groups I know of that satisfy the requirement mandated by the Affordable Health Care Act. They are Liberty HealthShare, Christian Healthcare Ministries, Samaritan Ministries, and Christian Care Ministry (Medi-Share). So, if you do join one of these four groups instead of having regular insurance you will not be required to pay the penalty. From the research I did on the groups it seems that these could be a great option for Christians as long as you are aware of their limitations. Some require their members to live certain standards of health like no tobacco use, etc. Some require their members to believe a certain way. Some put caps on the amount they would pay for catastrophic problems. Some plans have an unshared amount (deductible) that is per

incident instead of per year. It is really important to do your homework if you are looking into these health-sharing groups because they are not considered health insurance. However, they do provide medical coverage, often at a portion of the cost.

My brother-in-law's employer owns a small company, and when the Affordable Health Care Act was passed, they couldn't afford to offer health insurance to their employees anymore. His family bought an individual health insurance policy outside the exchange. After the first month they quickly realized they would not be able to pay for health insurance as well as the rest of the bills. They were considering cancelling it and not having any coverage, even though they would have to pay the penalty. When I told them they could join a Christian health sharing group and have some coverage and not have to pay the penalty they were relieved.

Obviously every situation is different and depends on your income and health insurance needs so we can't tell you the 'right or wrong' thing to do. What we do know, however, is that not having any type of health coverage can be precarious and unsettling. If there is an injury or medical emergency, the ramifications of not having health coverage could be financially devastating. We encourage everyone to have some sort of coverage if at all possible. We are simply sharing our experiences and what we know about the subject in hopes that it will prove useful for you and your family in deciding what to do.

Cut the cable.

My freshman year of college I had a roommate who was just amazing. She was so intelligent, and kind, and studious. She had an academic scholarship to BYU, which is quite difficult to receive. I admired her and got to be great friends with her. One day we were talking, and she mentioned that her family didn't have a television in their home. What?! No TV? I mean what kind of backward people don't have a TV?

She explained it had nothing to do with finances but was a choice their parents had made hoping it would encourage their children to read more and spend more quality family time together. Later, I visited their home and was absolutely shocked! Instead of a big entertainment center in the living room there were shelves and shelves of books. And, no lie, her little brother—maybe nine years old at the time—was sitting there *reading the encyclopedia!* I couldn't believe it! And it left a lasting impression on me. From what I could tell, her parents had made a very wise decision. All of her siblings were smart—very smart. And their family is extremely close. I decided maybe it wasn't such a backward idea after all to not have a TV.

As the years went on and I got busy with college and life after college, I found that I very rarely watched TV. I didn't want to pay for it, first of all, and second of all, I was busy with other pursuits. I also realized that with TV, you don't have much control over what comes on. This is a huge concern to me in raising my children because kids have impressionable minds.

When I was pretty young I remember trying to change the channel on our cable to the Disney channel. I came to another channel and saw some very terrible things. To say it shocked me would be a huge understatement. My parents would have died if they had known about it! And it was all by accident.

So before I married my husband, I made it a point to address the topic of whether we would have TV in our home. The agreement which we came to was that we would have a TV for the sole purpose of playing movies we could watch together, but that we wouldn't have the TV hooked up to any type of cable service. That choice has been one of the best decisions for our marriage and for our family I feel we ever made.

TV is not a major part of our lives. Sometimes, if we don't have other activities going on, we watch it at night. We rent movies at the library for free or at Redbox and watch them together as a family. My kids don't expect to watch TV every day. What they do expect is that I read with them every morning before school and that their Dad reads scriptures to them every night at the dinner

table. I am very grateful for that and I think it is pretty cool.

In the ten years we have been married, we have saved over \$6,000 in cable bills. The family time we have gained is worth even more than that. I am obviously a huge proponent of cutting the cable bill. And this time it's not even a financial motivation—although an extra six grand in the bank isn't anything to complain about.

Anita used to have cable but realized it was taking up too much of her time. When her contract was up, she cancelled it, got an apple TV, and pays for Netflix. It saves her over \$50 a month. Also, before her contract was up she called and asked to cancel. The retention department lowered her monthly bill by \$20 for the last few months of her contract. Then on the day the contract was complete she called and cancelled. It never hurts to call the retention department of cable, cellphone, and internet departments and negotiate for a lower price.

Save energy.

A stay-at-home mom has a huge influence on the amount of energy used in her home each day. Power is a big expense, and getting bigger all the time. We pay an average of \$200 a month for our power bill. That is like a car payment on a modest vehicle. So it would make sense that we should look for avenues to save on power, and who better to do it than the person who is in the home all day?

As a child, I remember my father always preaching to us to turn our lights off when we left a room. But one day he called us all in and announced that we were going to have a new policy. If our next power bill were less than our current power bill, he would give the difference to the kids. That was the most motivated we ever were to turn off lights, TV's, and radios when we weren't using them. The next month our power bill was less and we were able to reap the rewards of our efforts.

Involving your kids in efforts to save power is a great tool. Other ideas could include leaving the heat or A/C turned off or down in basements or storage rooms that you aren't in very often, using fire places and wood burning stoves, using solar screens, re-caulking or using weather stripping to clog holes, cracks, and other places that may be leaking air into your home.

Every device that you have plugged in uses up electricity (even when it is not on). It is important to unplug the electronic devices you are not using: toasters, can openers, mixers, blenders, even computers, lamps and hair dryers. It may be too difficult to reach behind and unplug washers, dryers, TVs and large devices but the more you can unplug the more you will save each month. We try to unplug everything that has an easily accessible outlet.

Anita:

One way to save not only on utilities but the cost of clothes is to hang dry. By hanging most of my laundry to dry and running our dryer on 30 minute or less cycles I cut our power bill considerably. I also extend the life of my clothes by not drying them in the dryer, running an extra spin cycle on items you are going to dry in the dryer saves on drying time as well. I only run one wash cycle to save on our washing too. I noticed our clothes were just as clean after one wash cycle as two. You may want to do a similar experiment to see if it works for you.

When we got our first power bill I was shocked. It was about \$150. I called the company and told them that it must be wrong. They assured me that they knew it was correct as they had recently metered our house, but then they went on to suggest some MAJOR ways to cut costs on utilities. The first and biggest one was to get our attic re-insulated. They told me that there are so many rebates that are offered by utility companies for insulating your attic that it can usually be done for free.

I contacted a third party company that re-insulated attics, and they worked with my electric and gas companies to receive the rebates. I paid them \$95 up front and they re-insulated my attic in under an hour. They told me that the insulation was very old and wasn't doing much good because

our house was twelve years old and had never been reinsulated. They were right because I was standing in our kitchen as they pumped the insulation into the attic. I immediately felt the house get warmer, and our heat wasn't even on. It made a big difference in the cost of our heating bill. I received rebates totaling about \$700. I subtracted the down payment (\$95) and sent the insulation company the remainder for their payment. Therefore, it was FREE, and it saves us a lot each month.

The power company also asked me which way my windows faced.

I said "South."

They told me to open the blinds in the winter the whole time the sun is up and lower them as soon as it sets. They told me to keep them shut as often as possible in the summer time. Once I started doing this I noticed another significant change in our bills. They were much lower and we were actually using the sun to do the job of the furnace. I'd set the furnace to be very low while we were at work and I opened the blinds. It rarely kicked on. Once we came home from work I'd close the blinds and turn the furnace up. It worked like a charm.

Another idea is to get a programmable thermostat and water heater. Have them run less when you are usually gone or while asleep. Just be sure not to turn the thermostat so high in the summer that your A/C has to work really hard to cool off your home (that actually is counterproductive). A few degrees won't hurt but a lot will. Install or run a ceiling fan. Ceiling fans can make a room feel 5 degrees cooler. Also, dressing warmer in the winter and using thicker blankets and dressing cooler in the summer and using thin blankets or only sheets helps make you more comfortable without making your furnace or A/C work so hard.

If you are interested in other great ways to save on power, check out this article: "[How to Save Money on Energy Bills.](#)"

Examine phone/internet needs.

Karen:

It is very easy nowadays to overpay for phone and internet services. But it is also fairly easy to find great deals out there. The trick is to examine exactly what you need and don't pay for all the extras. My husband and I each had a cell phone before we were married. When we got married we never saw a need to have a home phone and to this day we still do not have a home phone. This wouldn't work for some people, but it has worked great for us. Other ideas could be:

1. Search the internet for inexpensive or even free cell phone plans or apps.
2. Search for inexpensive ways to get home phone through other sources if your local telephone service rate is high.
3. Buy used cell phones. You can get used cell phones from reputable places to avoid entering into expensive contracts. Amazon has some great options.
4. Use your cell phone as a hot spot for your home internet needs.
5. Reassess your cell phone plan often. Sometimes you will find you are not using as much data or as many minutes as you are paying for. Monitor it closely to stay in the best bracket for your usage so you don't get overcharged and you aren't fined for going over.
6. Bundle services. If your internet or phone services offer a bundle discount, look into that. This will often save you between \$5-15 a month depending on how many services you bundle, and there is one less bill to pay.
7. Be aware that cell phone companies make a lot of money by charging a monthly fee for cell phone insurance. Anita has a great blog post on this topic: "[How Almost All of Us are Duped Into Paying for Our Cell Phones Twice.](#)"

Learn skills that will save you money.

Everyone has different talents and skills. But we can always learn new things. I never dreamed I

would cut hair. But once I had two boys, I figured I would save quite a bit of money if I learned how to cut their hair. We bought some buzzers and I watched a few how-to videos and started learning. The first few times we went directly to the barbershop afterward to get it fixed. But now I can do it pretty well—even when they are squirming around, complaining about how much it itches. I actually kind of enjoy doing it. There are so many different skills that can be learned that will save you from having to pay someone else to do it. No one can do everything, but everyone can do something. Here are a few more ideas:

1. Do your own manicures/pedicures.
2. Spray for your own bugs instead of paying a pest control service.
3. Sew, crochet, or knit if that is something you would enjoy.
4. Do simple home repair and maintenance.
5. Coupon.
6. Garden.
7. Try natural home remedies, herbal medicine or essential oils
8. Make homemade gifts for babies and other special occasions.
9. Budget and manage money.
10. Make homemade breads, salsas, dressings and such
11. Practice basic automobile maintenance, changing oils, air filters, and rotating tires.
12. Utilize your local library for free access to many books, videos, and so forth.

Stay out of the stores.

As Anita and I discussed some of the ways to save money, I told her I just try not to go to the store unless I have to. Even then I go in and grab what I need and leave. When I browse, I almost always end up buying extra things I wasn't planning on.

Now, I admit this practice is much easier for me than for most women. I really do not enjoy shopping anyway, and I live in a small town where stores are very limited. For women who love to shop, it might be very difficult to stay out of the stores. But here are a few ideas to try if you love to shop but don't want to end up wasting lots of money doing it:

1. Shop at cheap places.

Try yard sales, second-hand stores, or dollar stores. If you truly are shopping just for enjoyment and entertainment, you can spend a lot less money if you stay out of expensive stores.

2. Shop for gifts instead of browsing.

When you get the urge to shop, think of an event coming up such as someone's birthday, mother's day, etc. that you will have to buy a gift for anyway and go shop for that instead of just browsing for yourself or at random.

3. Order items you need off the internet.

It is still enjoyable to shop on the internet and look at the different styles and options, but you usually don't buy a bunch of extra things like you do when browsing the stores.

4. Shop with cash.

Take a certain amount of cash with you, and do not spend more than that amount. Don't take your credit cards, debit cards, or checkbook. If you are shopping for enjoyment you should always set an amount that you don't want to exceed and stick to it. It's much easier to turn down that new dress or new pair of shoes when you see that the price tag exceeds the amount of cash you have in your pocket.

Anita is the type of person who loves to shop for enjoyment. This was her experience trying to stay out of the stores.

Anita:

I LOVE to shop, to get good deals, and to acquire new and used items. I love having lots of cute clothes for my family to wear, a variety of food to eat, beautiful décor, and shoes that match my outfits. While I don't think I am vain mainly because *my happiness is not dependent on having these things*, I really do love to shop.

When Karen told me she just stays out of stores to save money, I first thought it was a little bit of a 'duh' concept. Yet the more I thought about it, the more I realized I needed to try it out.

For the last seven months I have made great efforts to stay out of stores. How?

When I have to go to the mall for something I only go into the one store I had planned on going into and pass the others. When I go garage sale-ing, I don't get out of my car unless an item I've been looking for is there in the yard. If I can't tell from the car, I quickly park, scan, and leave before I purchase an 'impulse buy.' When I'm grocery shopping, I do my best to stick to my list.

I live in the heart of Suburbia, surrounded by every store I could ever want to enter, and it is tough. I just do my best to fill my days with other things or stay home, and it works.

I've also tried to grocery shop less often. I try to go once every 10 days instead of every 7 days. This has also saved me money because instead of spending 4 times a month, I only spend 3 times a month. If I use the most perishable types of produce first and save the rest for later on, I can usually manage it. If we need a necessary item or more fresh produce in between my trips, **I send my husband**, because he hates to grocery shop and will buy only the item(s) we need.

It's fairly simple, but staying out of stores has saved me considerably.

Karen:

Kick costly habits.

Almost all of us have habits that cost us money, and many of them are not good habits to have. Of course there are obvious costly habits such as partying, drinking, smoking, gambling, etc. But so many of us have other costly habits and sometimes they aren't so obvious. Do you have to get a soda or a snack at the gas station every day? Do you go out to eat multiple times a month/week? Do you go shopping for entertainment? Do you golf/ski/go to movies every weekend?

Of course, there is nothing wrong with doing these things on occasion, but when they become habits they take a big hit on the pocket book. I heard a man talking one day about his co-workers who would go to the gas station on breaks to grab a soda or snack and then go out to lunch every day. He would never buy snacks at the gas station and always brought a sack lunch from home. Once in a while one of them would tease him about it and this is what he told them:

"Each time you go out to the gas station you spend a couple bucks and every time you go to lunch you spend another \$7 or \$8 per day. You are spending close to \$10 a day on snacks/drinks/food, which is about \$50 per week. If your boss told you he was going to give you a dollar/hour raise wouldn't you be excited? That is something everyone would like. However, you could give yourself \$1.25 raise by just not spending money on drinks and food when you are at work."

I always remembered this story because I think sometimes we work so hard to earn our money and yet we don't think twice about spending it frivolously on items that don't have any real value to us. And often we spend it on items that we would actually be better without. In this case it is a win/win situation to kick these costly habits.

I have a weakness for Reese's peanut butter cups. However, I rarely buy them because I am too cheap, and spending money on candy seems to me like a waste. Once I had a friend who would

come visit me at work and every time he came, he would bring me Reese's peanut butter cups. YUM! The problem was, pretty soon I started craving Reese's peanut butter cups every day.

Often, my friend wouldn't come, and I would find an excuse to go to the store on break and get myself one. While I was at the store I might pick up a drink or crackers or whatever else looked good. Not only did the Reese's peanut butter cup habit start costing me money but it also started adding to my waistline. I realized I was going to have to kick that habit, and it wasn't super easy. But I did it, and I have really decreased my calorie intake while increasing my bank account.

Take a good hard look at what habits might be costing you money on a continual basis and make some goals that will be a win/win situation for you and your pocketbook.

Wait before you buy.

When I was about five years old I really wanted a bike. My parents took me to the store and showed me how much the bikes cost. I remember the one I wanted was about \$60. My parents told me if I wanted it, I would have to buy it myself. They said they would pay me 50 cents for every load of towels I folded and put away. I began folding towels and saving, and folding and saving, and folding more towels. Of course, I didn't get the whole 50 cents because of the 80% rule my parents had us follow. So I ended up putting 40 cents away for each load of towels I folded. That means I folded 150 loads of towels in order to get my bike.

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Anita and Karen

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