

Balancing act: Reconciling checkbook with season gift list

By DANA GEORGE
Special to the Record-Eagle

The season should be merry, but the debt accrued can be scary. As we rapidly approach the holiday season, people everywhere are attempting to reconcile their checkbooks with their gift lists.

The National Retail Federation expects each consumer to spend an average of \$849 on 24 presents this year. That's good for retailers who could put as much as \$185 billion in their coffers this holiday season, but it's tough for the family who's struggling to stay on top of their bills.

And if you're considering charging those gifts, consider this; the American Bankers Association says that although people expect to have their credit card balances paid off by February, it will actually take most people at least six months. Regardless of when you pay off those credit cards, the day of reckoning does arrive.

"In January and February our business really picks up," said Brenda Cantrell, a counselor with Northern Michigan Credit Consultants.

Cantrell says that the best time to begin planning for Christmas is in January.

"Start right after Christmas," she said. "Figure out how much you'll need to buy gifts the next Christmas and start putting money away in Christmas Club accounts."

Christmas Club accounts are designed for people to tuck away a little money at a time, so the holidays won't seem like such a financial hardship. They're available at most banks and credit unions.

"We call it Holiday Savings," said Stephanie Volz of Traverse City's 5/3 Bank. "You decide how much you want to deposit each week and we give you a coupon book to make those deposits."

Volz said that this account is

strictly for the holidays. You can't make withdrawals throughout the year and there's a fee if you close the account within six months of opening it. The bank sends you a check for the entire amount you saved in October, leaving plenty of time for Christmas shopping.

Of course, that piece of advice will help for next Christmas, but what about Christmas 2002? As close as we are to Christmas, it's not too late to take control of your wallet.

First of all, make a budget. Look at your check register or credit card receipts and determine how much you spent last year.

Next, put a plan together that will help you control this year's budget. Look at your big expenses. Did you spend the bulk of your money on gifts, or did you throw a big party that ate up your holiday cash? Regardless of where your money went, think about ways you could do the same thing for less cash. Could you buy your gifts at an outlet, could you pay less for party favors?

Make a list of everything you plan to spend money on this holiday season. That includes trips, parties, wrapping paper, greeting cards, and gifts. Determine how much money you can safely pay for these items, without putting yourself in the red. Cantrell says to make sure all your household bills are paid first.

"The majority of people who walk through this door are here because of credit cards," Cantrell said. "They live above their means. By the time Christmas comes it's a last ditch; they max out the credit cards."

"But there are people who don't have credit cards. They'll avoid paying their rent or mortgage on time so they can spend the money on Christmas."

Rather than miss a payment, Cantrell advises contacting your mortgage lender or the bank that holds your car note. She says that most lending institutions offer extensions. That is, they will tack

the payment you are missing on to the end of the loan, then charge you a fee for the service.

Make a list. Actually record the portion of holiday money you're willing to pay for each item on your list.

For example, you may decide that you can afford to spend \$500 this Christmas. You know it will cost \$100 to drive to see your parents, and your greeting cards (with stamps) are going to cost another \$50. You need a new outfit for your company Christmas party, and that will be at least \$100. Already, \$250 of your Christmas cash is spent, and you still haven't purchased a gift for the 10 people on your Christmas list. Next to his or her name, write down how much you plan to spend on each person's gift and stick to it.

Look on the Internet, or get out the catalogues. Find one or two things you believe the recipients of each of your gifts would enjoy. Comparison-shop at local stores. Find the best price on that item.

"We run an ad with about 1,500 items every single week," said Mike Keller, store manager for Traverse City's Meijer. "You can save huge dollars if you follow the ads."

Besides watching store ads, Keller suggests taking advantage of a store's lay-away program.

"Lay-away is a wonderful means for people to set aside what they'd like to buy, and pay for it a little at a time," he said.

While some of these hints may come too late for this year's holiday, here are some other ways to keep holiday spending in check:

Give something handmade. It may sound corny, but most people love to receive something you made yourself (baked goods are terrific Christmas gifts).

Don't wait until the last minute to shop. No matter how much you enjoy the Christmas Eve adrenaline rush, you're less likely to shop carefully if you're in a hurry. Avoid using store credit cards.

They carry the highest interest and you'll end up paying far more than you wanted.

Reward yourself when you've finished shopping. It may just mean buying a cookie for yourself at Mrs. Field's, but stop shopping when all the names on your list have been checked off.

Cantrell suggests looking for a part-time job. Use that money to pay for gifts and keep your regular budget intact.

Go through your budget. Do you really need 10 premium cable channels? It's amazing how much we can save when we pare back.

Don't lose focus of what Christmas means. Don't buy into the media hype that it's not a perfect holiday if you don't spend a bundle.

What people really want is to know you care, and that costs you nothing.

Dana George is a local freelance writer.


Holiday Memories

"My memory of Chanukah with the family is a cozy one. My small family — my parents, sister, brother and uncle and aunt — would gather for the first night of Chanukah for dinner at sundown, when all Jewish holidays begin. Being the oldest boy, I got to chant the traditional prayers as my father lit the menorah. Then it was time for the family dinner. My mom's cooking skills were modest. She didn't have the chance to learn all the culinary skills that moms often teach their daughters because when she was 12 her parents sent her to a boarding school in England to get her out of Nazi Germany. She never saw her parents again. Nonetheless, dinner was always satisfying, after which we kids were excused from the table to play dreidel and win some Chanukah gelt. This year brought back a lot of those memories as my wife Kate, who's a great cook, and I celebrated our daughter Sophie's first Chanukah. It was very cozy."

Jeff Haas, Jazz musician and composer

SANTA FACTS

Types of batteries



- Alkaline:** These batteries largely replaced the older zinc-carbon batteries about 30 years ago. They offer better power, longer shelf life and less leakage. Though economical, their power tends to slope off as they discharge.
- Lithium:** These batteries produce high and sustained power and are often used in cameras and computers. They are more expensive than alkalines.
- Zinc:** Often called hearing-aid batteries or button cells, these batteries are compact. They produce steady voltage output until they die, which is why they often are used in devices where constant current is important. Can be various shapes.
- Silver oxide:** These compact button cells deliver well at high current drains. They have stable voltage over wide temperatures and are often used in watches and calculators.
- Rechargeable:** Nickel-metal hydride (Ni-MH) and lithium ion (Li Ion) batteries are replacing nickel-cadmium (Ni-Cd) batteries primarily because they have a longer life. Though expensive, they can pay for themselves over the long run.

Holiday hints

Holiday Waste

At least 28 billion tons of food are wasted each year in the United States — that's about 100 pounds per person. Here are some tips to reduce waste:

- Plan meals carefully, and serve smaller portions.
- Buy fresh foods carefully — don't just choose them because they are cheaper. Research shows that cheaper foods go to waste at a faster rate than more expensive foods.
- Compost food waste.
- Donate extra food to food banks.

Beat the Heat

If you are having a holiday party, turn down the heat just as the party's starting to heat up. The extra body heat will warm the room — and save energy, too.

Sitting Pretty

Getting a baby sitter for New Year's Eve is every parent's holiday nightmare. Safe Sitter Inc., an Indianapolis-based group that offers sitter instructional programs, has these tips for smooth, safe sailing:

- Be Early.** Many sitters accept New Year's jobs a month in advance. If you have a regular sitter, be sure to book well in advance rather than trying to adjust to a new sitter over the holidays.
- Be Realistic.** Evaluate the job and determine if it's too long or too much responsibility for the sitter you are considering. Think of age and experience as important factors in weighing your decision.
- Be Generous.** Expect to pay one and a half times your usual rate. Tip for extra responsibility or effort.
- Be Responsibly Festive.** Plan a New Year's Eve celebration for your children and the sitter. Videos, noisemakers, hats are a few treats that can make the evening special for everyone.

The Right Stuff

Holiday cheer can turn to holiday panic if you don't know which wine to serve with your meal.

- Choose full-bodied reds — cabernets, zinfandels, Barolos — when serving beef and other full-flavored foods.
- Light-bodied reds like beaujolais, Chianti and Bardolino are good choices for pork, veal, lamb and poultry.
- Serve a strong-bodied white wine (such as chardonnay) with strong-flavored fish, such as salmon.
- Lighter whites (chablis, muscadet, Pouilly-Fume, sparkling wines, extra-dry champagne) go well with shellfish and delicately flavored fish.
- Sweet whites and sparkling wines go well with fruit and dessert.

Celebrate Christmas

Past... Present... Future...



14k 2-Tone, Heavy Mountings


¼ carat total weight
from \$320 \$1695

Coins & Collectibles

129 E. State Street • Traverse City
231-947-3940

Art & Soul Gallery

Contemporary Gifts of Fine Art & Craftsmanship



Featuring Original Artwork by over 75 Regional Artists

Jewelry • Pottery • Glassworks
Sculptures • Corporate Art

Classes in Watercolors, Sculpting & Jewelry Design
Collage/Mixed Media "Junque Art",
Fung Shui, Meditation & Reiki Workshops

"A Room Without Art is Like a Body Without a Soul"

Just South of the Grand Traverse Resort
5754 US 31 North, Acme MI 49610
Steve & Amy Stinson, Art Dealers 231-938-5900



Downtown Petoskey Brings You Back...

The warm glow of the gaslights.
The alluring aroma of hot chocolate.
The sounds of the season from Santa to sleigh bells...
The inviting boutiques featuring:
gifts, artwork, apparel, shoes, sporting goods,
books, linens, housewares, music and more.
Whether you need snowshoes or champagne,
downtown Petoskey offers shoppers
a variety of gift items.
Charming restaurants. Old-world ambiance.
A picturesque setting overlooking Little Traverse Bay.

HISTORICAL DOWNTOWN PETOSKEY
INVITES YOU TO JOIN US FOR THE HOLIDAY SEASON.
FOR MORE INFORMATION CALL PETOSKEY CHAMBER OF COMMERCE 347-4150

BOATHOUSE RESTAURANT

Your friends at the Boathouse wish you a safe holiday season.

- New Winter Menu
- Call for Holiday & New Year's Eve Reservations
- Gift Certificates available for holiday giving.

Winter Hours: Wed. & Thurs 5-9, Fri, Sat 5-10, Sun. 3:30-8:30
223-4030

Reservations encouraged • 10 miles out on the Old Mission Peninsula

it's all inside:



Give the Gift of Beauty with the JCPenney Salon Gift Card!

Holiday gift cards make gift giving simple. The receiver uses them as they like, on things they enjoy. That's why the gift of JCPenney salon services and products are the perfect gift for everyone on your list!

The JCPenney Salon Gift Card is good for any Salon service or product. Available in any denomination, so it's easy and affordable to plan your gift-giving budget!

Don't forget anyone on your list!

<input checked="" type="checkbox"/> Family	<input checked="" type="checkbox"/> Boss
<input checked="" type="checkbox"/> Friends	<input checked="" type="checkbox"/> Mail Carrier
<input checked="" type="checkbox"/> Neighbors	<input checked="" type="checkbox"/> Dentist/Doctor
<input checked="" type="checkbox"/> Teachers	<input checked="" type="checkbox"/> Personal Trainer
<input checked="" type="checkbox"/> Babysitters	<input checked="" type="checkbox"/> Housekeeper
<input checked="" type="checkbox"/> Co-workers	<input checked="" type="checkbox"/> Newspaper Deliverer