

Transcript Episode 12: Planning Your Holiday Budget

Podcast Opener: Adulting – Thinking of all the things adults have to do can be intimidating. Maybe you are realizing just how much you don’t know about living on your own. If this sounds familiar, join us today to learn the skill you need and take some of the stress out of being an adult.

This is Grown Up U, an adulting podcast to help you navigate the twists and turns of adult life. Listen and get life skills you didn’t learn in school.

Mary Ann Kizer: My name is Mary Ann Kizer and I am the Jefferson County Family & Consumer Sciences Agent in Pine Bluff, Arkansas, and today with me I have a guest.

Dot Hart: Hi, my name is Dot Hart and right now I’m serving as the Delta District Director for Arkansas Extension Homemakers.

Jingle Bells Ringing

Mary Ann Kizer: Where did the year go, Dot? Have you been saving all year for your Christmas purchases? Be ahead of the game! Start with a Holiday Budget.

Dot Hart: Yes, developing a budget – a spending plan budget and decide how much you would spend for holiday expenses. Include gifts, travel, entertaining, postage, shipping, etc. Rutgers Cooperative Extension, Barbara O’Neil, advises spending no more than 1.5% to 2% of your annual gross income. That’s about \$600 to \$800 if you have a household income of \$40,000.

Mary Ann Kizer: Here in Arkansas, Dr. Laura Hendrix, our finance professional says, “Make a list for everyone you need to buy a gift for and divide the budget between them. Some people you may want to give a gift for \$25 while others only get a gift of \$10.” And then you need to buy extra gifts in case friends pop by with a gift for you.

Dot Hart: Let your fingers do the walking on research for best prices. Use catalogs, radio or TV ads, QR codes and social media ads are great. For example, if you “Like” a retailer on Facebook or receive e-mails from them, you will be notified about the “Flash Sales” with over 50% off list price. Phone Apps can also help you compare prices.

Mary Ann Kizer: And if you are shopping locally and you know the retailer, try to negotiate with them. Many will match a competitor’s price and you can bring along relevant pricing information from the newspaper or else online quotes. And then the best

strategy is probably to buy many multiples of the same item when you find an amazing sale price such as something like gloves, kitchen gadgets, or socks.

Dot Hart: While you are out shopping, save to spend. If you prefer to do your holiday shopping at the last minute, save all year long to spend the 7 weeks between early November and the end of December. Every payday, pay yourself first by having money direct deposited to your credit union or savings account.

Mary Ann Kizer: You know, Dot, if you want to shop all year long, then you can budget like \$40 or \$50 a month if you are only making \$40,000 and you can use that to buy something every month.

Dot Hart: Well also, Mary Ann, hey. be thrifty. You know there's plenty of clearance stores and thrift shops that offer great buys on clothing, housewares, and other items. Many have original price tags still attached.

Mary Ann Kizer: And also think about giving non-gift items. Then this involves your time, like gardening, spring cleaning, babysitting, pet sitting, or transporting someone somewhere.

Dot Hart: Be flexible with your holiday travel plans. If you are traveling, this could be a headache. Avoid peak travel days when airfares are high. Book early and fly on dates further from the holiday.

Mary Ann Kizer: Another idea is to do a Staycation to save money. You can go to the library and have a children's program over there. Watch it, or, you can give the gift of experiences and many libraries do this, such as painting, or a spa day, or even go to the zoo.

Dot Hart: We can always be charitable. Remember, donate to charities that are in need. Your family may want to give a sizeable donation in their name. Just ask before you start buying presents.

Mary Ann Kizer: And if children are involved, you know gifts are a must. Because a lot of times quantity is more important than quality when they are only 1 or 2 years old.

Dot Hart: Remember to avoid overspending. Don't be tempted to use that credit card unless you intend to double up on payments or pay them off in a month or two. Otherwise, interest rates will make your purchases more expensive

Mary Ann Kizer: The holidays are a fabulous time to build memories with family and friends. Enjoy yourself while making other people happy.

Dot Hart: More information is available on budgeting from your local Cooperative Extension Office. Call or e-mail your Family & Consumer Sciences Agent.

Mary Ann Kizer: And remember to check out our website at uada.edu.

Jingle bells ringing.

Mary Ann Kizer: Until next time.

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