

MY MONEY

FINANCIAL EDUCATION - Powered by CAMBRIDGE CREDIT COUNSELING

The colder months are approaching! It's time to winterize your home.



If you live in a region with cold winters, preparing your home for the colder months is essential for comfort, safety, and energy savings. While some tasks may require a professional, many can be done yourself to reduce heating costs and prevent damage to your heating system. Winterization not only saves you money but it can also extend the life of your home's systems and improve indoor air quality.

Why Winterize?

Energy bills are expected to average almost \$1,000 this winter for U.S. households, according to National Energy Assistance Directors Association (NEADA). Proper winterization can cut costs, prevent frozen pipes, and keep your home cozy. It also reduces strain on your heating system, lowers carbon emissions, and helps maintain consistent indoor temperatures.

HVAC (Heating, Ventilation, and Air Conditioning)

Your HVAC system works hardest in winter, so maintenance is key:

- Replace air filters every 1–3 months for better airflow and indoor air quality.
- For older homes, it may be worth it to schedule a duct cleaning with a reputable company. Be sure that the company is certified by the National Air Duct Cleaners Association.

(Continued on page 3)

IN THIS EDITION

Tips to winterize your home

Protecting your family's finances from inflation

Saving money while preparing for the holiday season

How to save money while preparing for the holiday season

As the 2025 holiday season approaches, families are once again looking for ways to celebrate without overspending. With inflation still impacting prices and consumer habits shifting toward value and flexibility, smart planning is more important than ever. Here are updated strategies to help you save on gifts, meals, and holiday expenses.

Smart Gift Buying Strategies

Holiday shopping in 2025 is starting earlier than ever, with many consumers purchasing gifts in October or even sooner to avoid price hikes and shipping delays. Here's how to save:

- **Start Early & Shop Smart:** Retailers now offer extended Black Friday and Cyber Week deals throughout November. Use AI-powered shopping tools like Walmart's app or browser extensions like Capital One Shopping to find the best prices.
- **Use Top Cashback Apps:** Apps like Rakuten, Ibotta, Fetch, and Upside offer cashback on purchases from thousands of retailers. Rakuten alone partners with over 3,500 stores and pays quarterly via PayPal or check.
- **DIY & Personalized Gifts:** Homemade gifts remain meaningful and budget-friendly. Consider baking, crafting, or creating photo gifts.
- **Gift Exchanges & Secret Santa:** Family lotteries are still a great way to reduce the number of gifts while keeping the fun and thoughtfulness alive.

(Continued on page 4)

Protecting your family's finances from inflation

If the Federal Reserve cuts interest rates again in December in an effort to stimulate spending and boost sagging employment numbers, the conventional wisdom has always been that inflation will likely increase. It's not really as simple as that, because consumer behavior isn't always predictable. If the Fed cuts rates but lenders make only modest reductions (or none at all), will consumers actually spend more? Will the normal metrics apply if a cut comes just as holiday spending kicks into high gear? And will consumers reduce spending on their own in reaction to inflation worries and higher prices that result from tariffs? Unless your crystal ball is 100% accurate, you might be better served by protecting your family's finances from an increase in the inflation rate and then be pleasantly surprised if it doesn't. Here are a few things you should consider doing while we wait to see how the economy responds.



- With the holiday shopping season already upon us and tariffs playing havoc with retail prices, this is the year to control your spending. Whether using a family lottery for the first time, limiting purchases to a per-person limit you create, and/or taking advantage of early-season sales, creating a detailed spending plan is a must this year. You don't want to put yourself in the position of paying off holiday bills in January and February if inflation continues to rise. That would leave fewer dollars available to pay your regular expenses.
- Create a detailed budget now and try to increase the amount you put into savings each month. I realize that can be difficult for many, but those savings can help you afford higher prices in the future. If the Fed cuts rates in December, the inflation rate won't immediately spike. It can take four to six months before the increase becomes noticeable, giving you a bit of time to build your savings as a hedge against higher prices down the road.
- If you already have an emergency fund or a decent amount of savings, consider moving a portion of that money into a high-yield savings account to earn more interest. You could also look into purchasing savings bonds or Treasury Inflation Protected Securities ("TIPS"), both of which are designed to keep pace with inflation.
- Even though credit card rates don't always rise or fall in lockstep with the Fed, this is a good time to pay down variable rate debt. And if your card balances are becoming a serious issue, this is the time to talk to one of our certified debt specialists. Schedule a free one-on-one debt analysis online at www.cambridge-credit.org or call (800) 527-7595 to speak to a counselor now.

Additional Strategies to Consider

Beyond budgeting and debt management, consider diversifying your income sources. Side hustles, freelance work, or part-time gigs can provide extra cash flow that helps offset rising costs. Additionally, investing in skills or certifications that increase your earning potential can be a smart long-term move.

Review your insurance policies to ensure you're not overpaying. Sometimes bundling home and auto insurance or shopping around for better rates can result in significant savings. Also, consider cutting back on discretionary expenses like streaming services, dining out, or subscription boxes—small changes can add up quickly.

Finally, stay informed. Economic conditions can shift rapidly, and being aware of changes in interest rates, inflation trends, and government policies can help you make timely decisions.

By taking proactive steps now, you can better shield your family's finances from the unpredictable nature of inflation and economic shifts. Planning ahead isn't just smart—it's essential.



Create and maintain your household budget on our [MyMoney Budgeting Portal!](http://MyMoney.BudgetingPortal!)



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We've made creating and managing your household budget simple with our free MyMoney Budgeting Portal. Creating an account allows you to make changes to your budget to coincide with changes in your income, lifestyle and expenses. Visit MyMoney.Cambridge-Credit.org to get started.

Tips to winterize your home

(continued from page 1)

- Schedule a professional tune-up annually to inspect heating components, clean coils, and check carbon monoxide levels. Check with your HVAC technician to find out if the company offers annual maintenance plans. These allow you to pay a small monthly fee instead of the full cost of seasonal system tuneups and may offer other perks such as preferred emergency services and discounted parts or service.
- Seal duct leaks to prevent heat loss and improve efficiency. If your ducts are exposed, you can use a latex sealant like Mastic, foil tape, or a combination of both. If your ducts are not exposed and you expect duct leaks, contact a professional to discuss aerosol sealant applications that seal leaks from the inside out. It is not recommended to use standard duct tape.
- Use a programmable or smart thermostat to maintain 68°F when home and lower when away or asleep. This can save up to 10% on heating costs.
- Reverse ceiling fans to push warm air down.
- Consider zoning systems for larger homes to heat only occupied areas efficiently.

Hot Water

Your HVAC system works hardest in winter, so maintenance is key:

- Insulate hot water pipes to reduce heat loss.
- Lower water heater temperature to 120°F for 6–10% savings.
- Consider a water heater blanket for units in unheated spaces—can save up to 10% monthly.
- Upgrade to a high-efficiency water heater or tankless system for long-term savings.

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Windows and Doors

Modern solutions can drastically reduce drafts:

- Install ENERGY STAR-certified windows and doors—they can cut heating costs by up to 13% nationwide.
- Use Low-E glass and multi-pane windows for better insulation.
- Seal gaps with caulk and weatherstripping; add door sweeps and foam outlet protectors.
- Thermal curtains help retain heat at night.
- Apply window insulation film for an extra layer of protection against heat loss.

Attic Insulation and Roofing

Insulation is the MVP of energy efficiency:

- ENERGY STAR recommends R49–R60 for attics in cold climates; check your insulation depth and add more if joists are visible.
- Seal air leaks before adding insulation for maximum performance.
- Inspect your roof for cracked shingles and clear gutters to prevent ice dams.
- Consider radiant barriers or spray foam insulation for improved thermal performance.

Other Winterizing Tips

- Protect pipes with foam sleeves or heat tape in unheated areas.
- Close fireplace dampers when not in use or install an inflatable chimney plug to stop heat loss.
- Stock up on emergency supplies—flashlights, batteries, blankets, and non-perishable food.
- Check smoke and carbon monoxide detectors to ensure safety during heating season.

Financial Assistance

Low-income households may qualify for Weatherization Assistance Programs (WAP), offering free insulation, air sealing, and heating system upgrades. Apply through your state or local agency, or contact your energy provider for more information on programs that may be available in your state.



Holiday savings tips

(continued from page 1)

Holiday Meal Savings Tips

Grocery prices remain high, but loyalty programs and strategic shopping can help:

- **Potluck-Style Gatherings:** Share the cooking load and costs by having guests bring dishes.
- **Use Loyalty Programs:** Kroger's Boost, Target Circle, and Safeway's Just for U offer discounts, fuel points, and personalized deals.
- **Digital Coupons & Apps:** Many stores offer digital coupons through their apps. Combine these with cashback apps for double savings.
- **Simplify Your Menu:** Focus on classic dishes with affordable ingredients. Buying non-perishables early can also help avoid peak pricing.

Installment Options

Layaway Programs (Still Available!)

While some major retailers like Walmart have shifted to BNPL, others like Burlington, Kmart, and Sears still offer traditional layaway programs with no credit checks and no interest.

Buy Now, Pay Later (BNPL)

BNPL services like Klarna, Affirm, and Afterpay are now mainstream, especially among Gen Z and Millennials. Half of holiday shoppers plan to use BNPL this season. However, be cautious:

- **Pros:** Flexible payments, often interest-free if paid on time.
- **Cons:** Missed payments can lead to fees, interest, and credit score damage.

BNPL usage has surged, with average balances nearing \$760 and growing concerns about overspending and debt accumulation.

Holiday Shopping Trends to Watch

- **Self-Gifting:** More shoppers are buying for themselves this year, so retailers are tailoring promotions accordingly.
- **Sustainability & Resale:** Eco-conscious and secondhand gifts are gaining popularity.
- **Social Commerce & AI Discovery:** Shopping via social media and AI-powered search tools is on the rise.

Final Tips for a Budget-Friendly Holiday

Set a realistic budget and stick to it.

- Use a combination of loyalty programs, cashback apps, and coupons.
- Avoid impulse purchases—especially with BNPL.
- Plan early to avoid last-minute stress and inflated prices.
- Popular retailers like Amazon, Target, and Best Buy offer early access to holiday deals through their apps and email newsletters. Signing up for these alerts can help you snag limited-time offers.
- For DIY gifts, websites like Pinterest and Etsy provide inspiration for handmade crafts, personalized ornaments, and budget-friendly gift baskets.
- Warehouse clubs like Costco and Sam's Club offer bulk pricing on holiday staples, which can be ideal for large gatherings.
- Apps like Flipp and Basket help compare grocery prices across stores, ensuring you get the best deal on ingredients.
- Retailers like Macy's and GameStop still offer layaway options during the holiday season, especially for high-ticket items like electronics and toys.
- Before choosing BNPL, check if your credit card offers 0% interest promotional periods, which may be a safer alternative.
- Retailers like ThredUp and Poshmark are promoting secondhand fashion as eco-friendly gift options.
- TikTok and Instagram are increasingly used for product discovery, with influencers sharing curated gift guides and exclusive promo codes.
- Subscription boxes for food, books, and hobbies are trending as thoughtful gifts that keep giving beyond the holidays.
- Create a holiday spreadsheet to track spending across categories like gifts, food, travel, and decorations.
- Use prepaid debit cards or gift cards to limit spending and avoid credit card debt.
- Consider hosting virtual gift exchanges or celebrations to reduce travel and entertainment costs.

With thoughtful planning and the right tools, you can enjoy a joyful holiday season without financial strain.