

Ten Tips to Reduce your monthly spending by 10%

1. Create a budget. Determine the amount of money you spend each month and multiply that number by 0.10 to learn how much of your monthly expenses you'll need to reduce.

2. List expenses you think you'll likely be able to reduce, such as groceries, dining out, clothing and entertainment. Find out if you can cut these expenses by 10 percent. If you can't cut them by 10 percent, figure out how much you can cut in these areas, then calculate how much you'll need to cut your spending on other things to make up the difference. Also check out other areas you may be able to cut, such as insurance premiums, utilities, and credit card interest.

3. Participate in a flexible spending account if you know you will have out-of-pocket costs for child care or health care during the year. Estimate the amount you'll likely have during the year and have that amount deducted from your pay. This tax-deductible contribution will let you keep more of your paycheck in your pocket than in Uncle Sam's.

4. Consider transferring your credit card balance to a JCU low interest rate card. Transferring \$6,000 of credit card debt currently at 22 percent interest to a 12-month, low interest account under 12% APR will save you more than \$650 in interest payments annually.

5. Install a programmable thermostat and reduce your heating and cooling use while you are at work and asleep. Reducing your heating and cooling by 10 to 15 degrees Fahrenheit for eight hours each day can reduce your utility bills by 10 percent, according to the U.S. Department of Energy. Buying energy-efficient bulbs to reduce your electric bills lets you go green while saving green.

6. Contact your home and auto insurance providers to calculate the savings of raising your deductible. If you have a claim, you will pay more out of pocket but save money long term. Ask your agent to apply any qualifying discounts or package saving options.

7. TEMPORARILY reduce the amount of money you contribute to your 401(k) or other retirement program and use that money to pay down credit card debt. Once your debt is paid, increase your retirement contributions to your 401(k) and IRA's.

8. Prepare more home-cooked meals, pack your lunch instead of eating out and knock off the trips to the coffee shop for your daily double caramel macchiato. If two people in a household each skip two \$5 cups of coffee and two \$10 lunches per week, they'll save approximately \$250 per month and \$3,000 annually to use toward less-expensive brown bag lunches.

9. Shop for clothes at thrift shops to look stylish without having to break your piggy bank. Look for non-profit stores such as Goodwill and the Salvation Army, which can sell brand-name clothing at the lowest prices because the clothes are donated.

10. Change the oil and air filter in your ride regularly, keep the correct pressure in your tires and have spring and fall tune-ups to improve your gas mileage and lower your monthly gas expenses.

