

What Our Clients Are Saying...

"I wish I had this program a lot sooner. I have already taken positive steps to save money. We cancelled our cable at a savings of \$350 a year. I also now put 10% of my salary into my savings and I watch what I spend my money on and if I want something, I first save for it and pay cash. Everyone needs your education material. I encourage my daughter to read this as well. My daughter and I work as a team now."

AS, Hawaii



Source: Becky Winters, Education Developer for Novadebt

Community Impact

Novadebt's Outreach group recently became involved with a young non profit organization called *Blossom International*, whose mission is to "inspire humanity to make a difference in the world by implementing programs that increase understanding and kindness." Their two founders are mothers themselves, who have a desire to make the world a better place for their own children. It is their belief that raising awareness, offering solutions and education, and caring about one another are the ways to create a more understanding and united world. They currently have three programs that have been developed with this in mind: Care Packs; Children for Charity and Cultural Education 4 Kids; Gift of Goodness.

Interested Novadebt employees are involved with two of the programs. The Care Pack program brings book bags filled with items to foster care children when they first enter the system. Blossom works directly with the Monmouth County Division of Youth and Family Services to accomplish this. Novadebt volunteers will pack the bags with donated items. The other is the Cultural Education 4 Kids Program where culturally diverse books are read to a participating classroom. This program is geared to foster a love of reading, while teaching empathy for the diverse cultures around the world. After reading the book and completing an art project with two volunteers, each child receives their own book to bring home. We are looking forward to seeing lots of happy faces, and promoting tolerance and understanding in the process.



Employee Spotlight

Novadebt's employee spotlight for July shines on ... **Marcela Bestulic**



Marcela began employment with Novadebt in October 2005, and she has been an example of an employee with strong work ethic since the beginning. Marcela is the type of person who takes her job very seriously and does everything possible to help each client. Marcela handles all client accounts as if they were her own. Her favorite part of the job is being able to help people. She feels that if she were in the same position as a Novadebt client, she would like to be treated fairly and with the same respect as she treats her clients. She is known to go above and beyond for any issue or concern and checks on all of the client's accounts to ensure everything is set up properly.

Marcela is often used as a resource by her managers when an employee from another department, or an interviewee needs to observe the functions performed by a Client Care Specialist. Every time Marcela is asked to allow someone to observe her, she is more than happy to do so. In addition, when Marcela is asked to handle a complicated issue, she is never hesitant to take on the challenge. She is a self motivated individual and was recently promoted to a Level 3 Client Care Specialist. Marcela's managers look forward to watching her continue to grow and excel in her position.

In Marcela's spare time, she enjoys spending time with her husband, Daniel, and her son, Anthony.

Thank you, Marcela, for being a part of Novadebt's team!





The \$25 Difference

Source: American Center for Credit Education—ACCE

Take the soaring price of gasoline and add the rising cost of a gallon of milk and green leaf lettuce. Sprinkle in some periodic expenses, such as annual eye exams and pet care. Add a little dash of something, say, increased postage rates. Mix this up and what do you get? A case of budget indigestion and a family that's probably feeling squeezed.

“Weathering the storm” is a natural response when your budget is tight, and you may find it difficult to think about anything beyond paying your monthly bills. When your most immediate financial needs are pressing, you might feel as though you don't have the freedom to do things such as save for retirement, set aside money for your goals, or pay anything more than the minimum monthly payment on your debts. Saving for goals and retirement, even paying down debt, is possible—even if your budget is tight. The key is to think small—just \$25 a month to start. You may be wondering just how to free up \$25, or you may believe that \$25 is so insignificant that it's hardly worth the effort.

Let's tackle both of these objections. The average household can typically and often easily squeeze an extra \$25 out of the budget by identifying what are known as spending leaks. Spending leaks are like shirts; they come in a variety of sizes and we all have at least one. They run the gamut from pit stops to the coffee hut for a latte to lottery tickets from the convenience store. They can be fantasy football and gardening magazines, cell phone features, lunches out, extra movie channels with your cable package, or any other thing you unconsciously spend money on.

Identifying your spending leaks doesn't mean you're destined to a life of deprivation. Buy fresh ground coffee beans and make your own at home, or stop for two lattes each week instead of five. This can easily free up more than \$25 each month. Enjoy your favorite magazines from the quiet comfort of the library. Keep your cable, but consider dropping the extra movie channels. The point is to evaluate where your money is going and to consider places where you may be spending it unconsciously.

Okay, so if you've freed up an extra \$25, just how much good is it going to do you? Consider that a credit card with a \$2,000 balance and an interest rate of 18% will cost you \$2,615.43 in interest and it will take you 222 months, or 18 and a half years to pay off the balance in full. Add just another \$25 a month to your payment and you will pay \$573.36 in interest and pay off your credit card in just under 3 years.

Take the same \$25 and put it into a 401K each month. With an average return of 6% over 20 years, you will have saved \$11,551. Of course, this amount won't leave you lounging poolside for the rest of your years, but the point is to consider how even a small amount can make a difference. Instead of feeling stuck because your budget is tight, seeing your money grow can motivate you to find ways to increase your contribution. You might have the opportunity to invest a windfall, or you might try committing to investing any bonuses, raises, or commissions that you get.

Other goals beyond paying down debt and saving for retirement can also become a reality when you build a nest egg with your \$25 a month. In a year's time, you will have \$300 that you can use to create a cushion in your checkbook, start an emergency fund, or buy something you or your family might enjoy: a trampoline, an iPod, patio furniture, camping gear, a set of golf clubs, a new drill, or a potting bench.

Don't let a tight budget leave you feeling powerless—even \$25 a month can make a significant difference in your financial life. When you see a balance declining or an account growing, no matter how slowly, count this as progress and use this momentum to find other ways to get what you desire.

