



Living Well with Inflation

Managing Your General Costs of Living

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Disclaimer

This presentation series should not be construed as legal or financial advice. If professional assistance is required, the services of a competent professional should be sought.

Disclaimer

Today's presentation is education, not advice.



Major Costs of Living

Transportation

Housing

Health Care/Medical

Insurances



Food and Clothing

Household Supplies

Utilities

Education



Inflation Drivers - a Compounding Effect

Production, processing and distribution impacts a lot of our household costs; ie: if fuel prices are up, we pay more for many consumables, such as:

Inflation Factors That Affect Cost of Living



Higher food costs



Higher gasoline costs




Higher utility costs



Not receiving an increased wage



Higher interest rates on home loans

 Investopedia

- food and household goods
- clothing
- building and repair materials
- appliances
- insurances (medical, home, auto, life)
- cost to commute
- cost to vacation and recreate
- cost to heat and cool our home
- cost of insurance
- health care and wellness

Make your Household More Inflation-proof

Strategy and planning can help ease the impacts of inflation by giving you more flexibility in your spending. To be effective, this must be ongoing - not just during a period of high inflation. Here are some basic but key "safety points" to consider:

- First - be aware of your consumption habits - analyze how much you spend on which items and determine your priorities - then develop a budget that helps you articulate those priorities
- Keep an active, dynamic budget
- Balance debt repayment with savings
 - paying down debt is important, but when inflation hits or if you have other major financial changes, you may need to get down to basics; don't lose sight of the importance of savings while working to eliminate your debt - both are important, and both will help you during times of inflation
- Analyze your basic expenses:
 - mortgage or rent - consider refinancing or downsizing
 - review your insurances annually
 - homeowners
 - auto
 - health
 - life
 - review costs of utilities and entertainment -
 - Is your water bill high? What is causing that - look at water saving measures.
 - Utility bill high - is that seasonal, or year-around? What is causing that?
 - phone and internet (wifi and streaming services)



Make your Household More Inflation-proof

Further "safety points" and considerations:

- Plan and budget for household improvements that will help lower your energy and other costs:
 - better sealed windows and doors
 - more energy-efficient appliances
 - better window coverings, and use them!
 - more energy-efficient light bulbs and water faucets/fixtures
 - strategic use of areas of the house based on natural light, heat and cooling
- Conduct an "energy audit" on your home
- conduct an "energy audit" on your automobiles
- Evaluate what is more cost-effective - purchasing or making your own
- Try more home-grown or local adventures and experiences, rather than taking elaborate vacations
- Eliminate unnecessary subscriptions and fees
 - online streaming services or other entertainment costs - do you need cable or satellite TV in every room?
 - subscriptions to aps and publications
- Review banking fees and charges or charges of memberships
- Think about increasing your income or generating a second income
 - save and invest, even if in a small way
 - get a "side gig" or turn a hobby into a profitable enterprise
 - rental income?
 - analyze spending to get to and/or do your job; is it cost-effective?

A budget and financial planning/strategic spending can have a tremendous impact on your ability to ride out the storm of high inflation, especially if your budget allows for some adjustment and cushion.



Insurance Costs

Whether it be homeowners insurance, automobile insurance, health insurance, pet insurance or life insurance, it is good to review and analyze your policies every year, or as often as they come up.

- Analyze your use of the coverage you have presently:
 - what has changed?
 - do you have the right insurance for your needs?
- What are your deductibles? Could you raise them?
 - consider your risk in doing this
- Insurance incentives - many providers offer these
 - safe driver or vehicle monitoring initiatives
 - health and wellness programs and applications
 - may help lower your health insurance rates
- Term life insurance vs whole life
- Can you defer payments? May apply to some specialized plans.
- Revisit car maintenance schedules
- improve your credit score to lower your auto insurance (and possibly others)
- increase your preventative care measures to lower your health insurance costs



Save on Your Utilities

Conservation is the most obvious consideration when looking to save on your utility bills. But it is not the only possibility. Here are some general tips:

- Analyze your water, electricity and gas usage.
 - when do you use the most?
 - do you know where all of your energy is going? Do you have water or air leaks? Are you wasting gas?
- Trash services - what are your costs? Do you have options? Do you recycle?
- use energy-efficient light bulbs
- unplug chargers and small appliances when not in use
- watch for incentives and promotions in your utility bill
- renewable energy options? Check into it!



The average household in the US uses more than 300 gallons of water per day (or about 100 gallons per person).

An estimated 70% of that is indoor usage. Where does it all go?

- Toilet Flush: 2 to 6 gallons of water per flush
- Dishwasher: average 20 gallons per run
- Shower: 30 to 50 gallons per shower
- Washing Machine: 40 gallons per average load
 - Sink Faucet: 3 gallons per minute
 - Small Leak: 170 gallons per day
 - Large Leak: 1000 gallons per day



Tools to Help You

Everyone's situations are different and unique, so there is not one answer or solution for everyone. Here are some resources that may help you decide where to adapt your budget and plan:

- Budgeting Tools:
 - <https://www.personalcapital.com/> - click on "Get Our Free Tools" button
 - <https://mint.intuit.com/>
 - <https://www.nerdwallet.com/article/finance/best-budget-apps#ynab>
 - <https://signup.rocketmoney.com/budgeting/>
- Money Tracking apps:
 - <https://mint.intuit.com/>
 - <https://www.nerdwallet.com/>
 - https://play.google.com/store/apps/details?id=com.droid4you.application.wallet&hl=en_US&gl=US
 - <https://www.expensify.com/>
 - <https://www.creditkarma.com/faq/howitworks>
 - <https://www.nerdwallet.com/l/free-credit-report>
 - <https://compare.tech.co/best-expense-management-software-us/>
 - <https://www.capitalone.com/learn-grow/money-management/digital-tools-manage-money/>
- Meal Planning Tools:
 - Simply-prepared Meals and Menus.pdf - will have on web page



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 - <https://funcheaporfree.com/a-free-grocery-app-you-told-me-about-that-everyone-needs/>
 - <https://www.simplyrecipes.com/best-meal-planning-apps-5181526>
- Expense - including utility - Tracking Apps:
 - <https://www.personalcapital.com/>
 - PayPal
 - CreditKarma
 - Your bank or credit union
- Insurance Information Apps
 - <https://www.healthcare.gov/lower-costs/save-on-monthly-premiums/>
 - <https://www.thezebra.com/rates-compare/>
 - <https://www.nerdwallet.com/>
 - https://play.google.com/store/apps/details?id=com.joinroot.root&hl=en_US&gl=US



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