

# Ideas for cutting expenses



**gwinnett**county  
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Sometimes unforeseen events in life challenge us. They may include unemployment, illness, divorce, or the loss of a spouse. If your income is reduced for more than a month, you need to adjust your spending habits. When you take charge of your financial situation immediately, you are making a positive contribution to your family's well-being now and in the future.

Give high priority to fixed expenses such as rent or mortgage payments, insurance premiums, car payments, and installment debt. Most people find it easier to cut back on flexible expenses. Here are some examples:

**Food:** Plan meals. Go shopping as few times as possible. Purchase low-cost protein foods such as dry beans, eggs, peanut butter, and chicken. Use leftovers to get two meals for the price of one. Store cooked foods properly to make them last longer.

**Utilities and household maintenance:** Maintain and clean your furnace and filters often. Find and repair air leaks around your home's windows, doors, and foundation. Adjust the thermostat setting by five degrees and compensate for comfort with added clothing since heating and cooling are the most expensive utility costs. Buy energy efficient light bulbs and fixtures when replacements are made. Take shorter showers. Drop cell phone plans or reduce plan costs if you will not incur additional fees. Give up cable or satellite television connections that increase your monthly bill.

**Transportation and upkeep:** Plan the use of your car(s) to reduce the number of trips. If you own more than one vehicle, and if it is reasonable to do so, sell unneeded car(s). Do your own vehicle maintenance if you have the skills and tools. Evaluate automobile insurance policies to make sure you are adequately covered.

**Clothing and personal care:** Repair and/or alter present clothing and swap clothing with other family members or friends. Follow instructions when laundering clothes. Resole and polish shoes instead of buying new shoes. Have children change to older, worn clothing for play. Check discount stores, mail-order catalogs, thrift stores, secondhand outlets, flea markets, and garage sales. Coordinate clothing and accessories so they can be used with several outfits. Learn to do your own personal grooming such as hair care and manicures at home. Select cosmetics and toiletries that are reasonably priced.

**Recreation and leisure:** Choose activities that are free or low-cost such as hiking or attending a free concert. If you entertain at home, have a potluck for family and friends so everyone shares the cost.

**Before buying an item, ask yourself the following questions:** Do we already own one? Can we do without it? Can we postpone its purchase? Can we substitute something else that costs less?

A well-thought-out spending plan will probably not solve your financial difficulties, but it will help to minimize the damage from your loss of income. Developing and following your spending plan is the only way to make sure your money goes where you want it to go.