

Get Out of Debt

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Many Americans are burdened by heavy debt loads: the average family now carries almost \$10,000 just in credit card balances! If you are relying on credit to fill in the gap between what you earn and what you spend, you're not alone. While credit can be a useful tool for surviving short term situations, depending on credit on a regular basis can be a very expensive choice.

Keep in mind that you probably didn't get into debt overnight and you're not going to become debt-free overnight either. CCCS is here to help you learn to live within your means, pay off debt and work towards your financial goals. Whether you are overwhelmed by your finances, or you just need a little help getting started or staying on track, your certified credit counselor can work with you step-by-step.

Debt Warning Signs

Ask yourself these questions:

1. Are you arguing with your spouse over bills?
2. Is an increasing percentage of your income being used to pay off debts? Are you near or at the limit of your lines of credit?
3. Can you afford to only make minimum payments on your revolving accounts?
4. Are you extending repayment schedules-paying bills in 60 or 90 days that you once paid in 30?
5. Are you chronically late in paying your bills?
6. Are you borrowing to pay for items you used to buy with cash?
7. Do you put off medical or dental visits because you can't afford them right now?
8. If you lost your job, would you be in immediate financial difficulty?
9. Are you threatened with repossession of your car, foreclosure on your home or with other legal action regarding your finances?
10. Do you know your total debt, or are you afraid to add it up?

**If you said "yes" to any of the above questions, you could be in financial difficulty and should take steps to re-examine your priorities, budget, and credit obligations.

For more information on ways to manage your money and get out of debt, click on the page for Budget Counseling, Debt Management Plans or Additional Resources.

{tab=Budget Counseling}

Budget Counseling

CCCS offers counseling on budgeting, money management and credit issues in a one-on-one basis in our Savannah, Statesboro, Brunswick, and Hinesville, Georgia offices as well as in Beaufort, South Carolina. CCCS helps you understand your obligations, create a livable budget, design a plan for getting out of debt and reach your financial goals.

For some people the word budgeting means late nights, confusing numbers, and lack of progress. According to one national bank, most Americans believe they have a better chance of winning the lottery than saving for financial security. Yet, if you want to be financially successful, budgeting is not an option. It must be made a priority because no one cares more about your money than you!

Why does budgeting matter? Money is a tool that enables you to reach your goals in life, but until you know where your money goes, you can't make conscious decisions about how to use this tool effectively. A budget shows you exactly where your money goes and provides a spending plan that lets you save for the things that are important to you: a new house, a new car, a comfortable retirement, a college education, travel, or whatever your particular goals and dreams happen to be.

If you jump into budgeting without a positive attitude, chances are high that you will give up before you see the difference a budget can make in your life. Work on your attitude! It's like the difference between going on a diet and eating healthy. One is negative and restrictive; the other is positive and allows you to indulge now and then and still achieve your goals.

{tab=Debt Management Plans}

Debt Management Plans

A Debt Management Plan can aid you in resolving your credit problems and rid yourself of debt. You and your CCCS certified credit counselor will work up a plan, proposals will be sent to each of your creditors with a payment schedule, and you will make a single monthly deposit with CCCS. CCCS will disburse your payment to your various creditors. An additional benefit of enrolling in a Debt Management Plan is that creditors are often willing to reduce your interest rates and waive late or over-limit fees, which can get you out of debt much sooner. As long as you abide by the agreement negotiated between you and your creditors, your creditors will be happy to work with you. You should make your monthly payments on time and in the agreed upon amounts (payments must be made with certified bank check or money order).

{tab=Additional Resources}

Additional Resources

For useful tools on learning to budget, calculating credit card payments, and other helpful information, visit the National Foundation for Credit Counseling website at <http://www.nfcc.org/>.

The Federal Trade Commission has excellent information on protecting yourself from Identity Theft and knowing your consumer rights. Visit them at <http://www.ftc.gov/>.

There are great easy, fun and free financial courses available at <http://www.handsonbanking.org/>.