Newsletter

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Triple Jingle Loan

*APR = Annual Percentage Rate. Some restrictions apply. Must apply online and meet lending guidelines to qualify. Limited time offer. Promotion is subject to change without notice.

4 Unnecessary Expenses to Cut From Your Life

Four easy ways to spend less by cutting more

As a hard-working adult, you know that saving money is an important thing to do. Unfortunately, it can also be a difficult prospect. Life is expensive, and it often feels like our money is gone no sooner than we've earned it. But are all of life's expenditures necessary? Far from it; a close look at your budget is likely to reveal plenty of unnecessary spending. If you're looking to pocket a little extra cash, eliminating some of these less-necessary expenses could result in hundreds of additional dollars in your pocket at the end of each year. Here are four such expenses that may be worth cutting from your life.

Dinner out

When you've had a rough day at your job, picking up some greasy food at a drive-in restaurant can be a very appealing proposition. Likewise, treating yourself and loved ones to nice dinners out is a lovely way to spend an evening together. However, be sure that these occasions don't become frequent habits. Eating out can get expensive; whether it's a fast-food establishment or a fine-dining experience, you'll find that plenty of money is changing hands. Limit the number of times you eat out to once or twice a week, and you'll be surprised at how much cash you'll save.

A home phone line

Landline phones used to rule the world. If you grew up before the 2000s, you'll remember all the cords, cables, and expenses that went along with them. Many households in America still use home phone lines, which means they are paying fees for the service. With the advent and wide-spread use of cell phones, landline phones are largely obsolete. A cell phone can do everything that a home phone can do, so paying service fees for both is a massive waste of money. Ditch the home phone line, and your bank account will thank you.

Subscriptions you're not using

From streaming services and magazines to cable and more, subscription services are everywhere. It can be hard to let one or more of these services go, but keeping all of them at once can be a drain on your finances. One of the biggest appeals of streaming services is their low price; most cost less than $15 a month, which is more than affordable. It's when these services and their fees begin to stack up that problems arise. Bottom line: if you have a service you're not using on a regular basis, cancel it and save your money. Eliminate cable charges by streaming your entertainment, and only pay for the streaming services you watch frequently. If you end up changing your mind in the future, reactivating your canceled account is always an option.

The newest technology

The allure of the latest phone, tablet, or vehicle can be hard to ignore. Most people want the best technology at their disposal, but new tech comes at a price. If you're looking to save money, rushing to the store to buy the latest smart phone on release day is the last thing you should do. If your current phone still works, continue to use it until getting a new phone is a necessity instead of a luxury. The same goes for all forms of technology; from TVs and cars to game consoles and cameras, use what you already own for as long as you can. A little patience can go a long way toward saving you money.

By taking the initiative and eliminating these unnecessary expenditures from your life, you'll be one step closer to increasing your savings and pocketing some well-deserved extra cash.

Selling vs. Trading In Your Car

Pros and cons of trading in your car vs selling your car privately

New car shoppers face a common dilemma: should they trade in their existing car at the dealership or sell it to a private buyer? There are pros and cons to both approaches. Learn more about them to help you decide which option is the best one for you.

Trading in

One of the advantages of trading in your car is that the dealership will accept it in any condition. "They don't care about dents, dings, rust, rips or stains in the upholstery," says J.D. Power's Jeff Youngs. "Even if the car doesn't run, you can have it towed in as a trade."

Trading in is thus the easiest and most convenient option. Just take your old car to the dealer and they'll make you an offer. That offer can go straight toward buying your next car. You don't even have to handle any paperwork, as the dealer will take care of that too. It's as simple as driving in with your old car and driving out with a new one.

The downside of trading in is that you may not get as much money as you could be able to get by selling privately. "Since the dealer still needs to make money on the car, they won't give you retail value for it," Autotrader explains. At best, you should expect to get the vehicle's wholesale value.

That being said, there is a tax advantage that helps reduce the price gap between trading in and selling privately. Autotrader says that most states charge sales tax only on the difference between the new-car price and the trade-in value. For example, if you buy a new $20,000 car at the dealership while trading your old car valued at $8,000, most states will only tax you for the $12,000 difference.

Selling privately

The main advantage of selling privately is the potential for greater monetary gain. "You'll usually get the most money for your car, somewhere between the vehicle's retail and wholesale values," says Consumer Reports. If your old car is a popular model in good condition with low mileage and features that shoppers want, you may even be able to sell it quickly.

However, there are a number of disadvantages to selling your car yourself. You need to make listings, place ads, take phone calls, make time out of your schedule to meet potential buyers and give test drives, and do a lot of haggling with strangers. You also need to deal with financial institutions on your own.

Additionally, the timing has to be right. "Selling a car privately can take weeks. It can take months if the car is not in demand," Youngs writes. "During that time, you will have to invest in advertising and keep the car clean as potential buyers will call to see the car on a moment's notice."

If you cannot sell your old car quickly, you'll either have to wait to buy a new car or be unable to use the money as a down payment. If the car isn't paid off, you could even have an overlap of car payments. And then there's the tax issue.

Taxes and the bottom line

Going back to the trade-in example, if you managed to sell your old car for $10,000, you would be up $2,000 on the trade-in value but would still need to pay tax (in most states) for the full $20,000 on the new car. That extra tax and all of the legwork required to get that $2,000 out of a private buyer may not be worth it to you, depending on how much you value your time. And, depending on the vehicle, that $2,000 value used in this example may be very generous — you could be looking at a gain of only a few hundred dollars.

And that's not the last of the potential downsides: "If you sell your car for more than you paid for it, the Internal Revenue Service considers that a capital gain, which is taxable," says Elvis Picard, an investment manager and contributor for Investopedia.

Ultimately, trading in your vehicle is the simplest and most convenient option, and one that, depending on your vehicle and salesmanship, doesn't necessarily come at a great cost. If you do choose to sell privately, work closely with a trusted financial institution to avoid getting scammed.

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The Trenton Branch is Moving!

In early spring our Trenton branch will be moving to 3555 West Road, Trenton (formerly Boston Market). Renovations are currently underway and we are excited to announce the Grand Opening in the near future. Follow us on social media for up to date information.

12 Days of Tipping

Public Service Credit Union employees spread some holiday cheer this season by participating in the PSCU 12 Days of Tipping event. The employees ordered carryout from a local restaurant and tipped the wait staff $200 for their order! About $5,000 was given to these frontline workers in the communities we proudly serve.

Budgeting Systems To Fit Your Life

Meet your savings goals with these strategies

Whether you're on a fixed income or simply looking to make smarter financial decisions, a budget can help you guide your spending and supplement your savings. However, it's important to find a budgeting system that suits your lifestyle. Here are some common budgeting methods to help you achieve your financial goals.

A simple approach

If you're feeling lost, budgeting expert and Nerdwallet contributor Lauren Schwahn recommends trying a 50/30/20 split. With this budgeting format, you'll dedicate half of your money to your must-pay expenses, like housing, utilities, and groceries. You'll then have 20 percent to put towards your savings and debt, and 30 percent to spend on whatever your heart desires. This broad-strokes approach can help you get a feel for budgeting without being overwhelmed by a more detailed, restrictive budget.

Assessing your priorities

Whether you're looking to build your savings or pay down debt, you can create a customized budget that suits your needs. If you've got savings goals, Schwahn suggests first setting aside a percentage of your paycheck for your savings account, then paying your expenses with the remaining money. You can make this easier by directly depositing a percentage of your paycheck into a savings account. This very same principle works for paying down debt.

Pump the brakes on spending

If you need a more rigid method to minimize your spending, Schwahn suggests the envelope system. With this form of budget, you keep your credit cards out of reach and deal purely in cash. Set allotted amounts of cash into envelopes categorized for different expenses, like groceries, gasoline, and dining out. Once that envelope has been depleted, you're not allowed to spend any more on that expense for the pay period. According to Daniel Chong, a certified financial planner, this method can help you reduce spending by making your money more tangible and yourself more intuitive. However, if the envelope system sounds too extreme for you, you don't have to channel all of your spending through it. You can just focus on your known problem areas, such the money you spend on a hobby.

The zero-base method

With zero-base budgeting, you'll have to be mindful of every dollar that leaves your wallet. According to Investopedia, this intensive form of budgeting is a bit more time-consuming, but it's an effective way to cut unnecessary costs. It's called zero-base budgeting because it doesn't take your income into account. You start with the goal of spending as little as possible, and as you review your necessary expenses, you have to justify every dollar you spend. It doesn't matter whether it's for groceries, rent, or a cup of coffee. This helps prevent overspending, even if more lenient budgets allow it. For example, if you follow the 50/30/20 budget, you may not actually need to spend 30 percent of your money on discretionary expenses. However, you may be inclined to spend the entire allotment, since your budget has already set the money aside for you. Zero-base budgeting discourages that behavior.

Tips for success

No matter what kind of budget you choose to follow, consider these tips to make it easier to meet your financial goals. To take the hassle out of distributing your money and building your savings, Jeremy Vohwinkle, a contributor to The Balance, recommends setting up an automatic transfer schedule. This frees you from remembering to shift money into the appropriate accounts. He also suggests creating spreadsheets to help keep you accountable, as well as taking advantage of budgeting apps like Mint.

Need help finding a budget that suits you? Consider consulting with a financial planner to create a budgeting system that fits the nuances of your life.

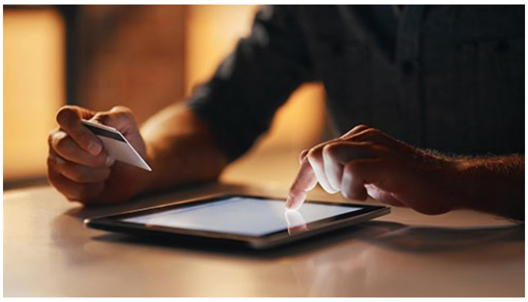
Reasons to Go Paperless

Why you should elect to receive digital bills and statements instead of mailed copies

If you're inundated with requests by utility providers, department store credit cards, and insurance companies to "go paperless" but haven't made the switch to digital statements yet, you're missing out on some great benefits.

Here are three major reasons you should opt to receive your bills, account balances, and policy contracts via email instead of the mail carrier.

Better for the environment



The most obvious reason to go paperless is to reduce paper usage. By opting for digital statements, you'll be saving trees and helping the environment. Plus, "Fewer billing statements means less demand for paper and less air pollution from paper production," points out Latoya Irby of The Balance.

It's an easy way to reduce your carbon footprint, since paper waste is a large component of landfill waste. According to data collected by The World Counts, 10 liters of water is needed to make one piece of A4 paper, and paper accounts for 25 percent of landfill contents.

A reduction in paper usage won't happen automatically — you have to make the choice to convert. Based on The World Counts' research, "Lessening of paper usage was predicted due to the electronic revolution. It didn't happen. Demand for paper is expected to double before 2030." Wouldn't you like to help care for the Earth?

Less clutter

When you receive a letter in the mail, you have to decide what you're going to do with it. Do you file? Shred it? Throw it away? If you don't take action, you'll quickly develop a pile of clutter on your countertop.

If you receive your statements via email, you don't have to worry about physical clutter. "Switching to paperless billing means you'll never misplace a bill in a pile of junk mail, nor will you ever accidentally shred or recycle an unpaid bill because it decided to hide in the pile of credit card solicitations on your desk," explains Emily Guy Birken of Wise Bread.

You can still label, sort, and archive your digital statements similarly to filing paper printouts, but you can do so on your computer without having to find space for a filing cabinet. And if you're worried about losing your records over time, some companies let you download your statements to save as PDF versions on your desktop.

Tighter security

You may assume that emailing financial information would be less secure than sending in through the mail, but many financial experts argue the opposite.

Consider how easy it would be for a thief to steal your mail or find it in your dumpster. It's a far easier feat than hacking into your private records on your computer network.

Latoya Irby of The Balance explains that opting to go paperless provides a greater level of identity theft protection. "Since statements aren't mailed to your home, mail thieves won't get access to your credit card number if they intercept your mail."

How is this more secure? Birken explains that emails from your credit card issuer should never contain your full account number. "Even if a scammer hacks their way into your inbox, they'd still have to hack their way into your bill provider's online account to access sensitive information."

If you're on the fence about going paperless and haven't made the decision yet, it's a worthwhile transition to make. You'll quickly see how simple receiving digital statements is and feel pride in how you're benefitting the environment.

Newsletter

Learn About Money Market Accounts

Learn the ins and outs of saving more with an MMA

Everyone enjoys saving money, but doing so is often easier said than done. Many Americans funnel a portion of their earnings into a savings account, creating