The Truth About Credit Counseling

Beware of credit counselors who promise to get rid of your debts and charge you astronomical upfront fees. The rise in consumer debt has spawned a large number of credit counseling companies that deceive and mislead consumers.

Could credit counseling help you?

If all of your accounts are current and you are able to pay your bills, then you do not need credit counseling. On the other hand, if you have any of these situations, you could benefit from credit counseling:

• You can't pay the minimums on your credit cards.
• You are consistently late paying one or more of your regular bills.
• You are being hounded by creditors and collection agencies.
• Your efforts to work out reasonable repayment plans with your creditors have failed.

If a credit counseling agency is unable to get your repayment plan within two to four years for completion, then counselors indicate that bankruptcy is the better option.

If you decide to use credit counseling, here are some things to consider.

• Always investigate the agency before enlisting their services.
• Big upfront fees are not necessary and even border on predatory if extensive and personal money coaching is not offered.
• Legitimate credit counseling firms are affiliated with the National Foundation for Credit Counseling or the Association of Independent Consumer Credit Counseling Agencies.

And finally, know that legitimate counseling agencies help you pay back what you owe. Beware of agencies that falsely promise to settle your debts for little or no money who promise to erase your bad credit for a price.

For more information on Consumer Credit Counseling, or to schedule an appointment, call the office closest to your home or place of work.

Memphis Office: 1.901.327.1580
Little Rock Office: 1.501.753.0202
or visit the website:
www.helpingfamilies.org.

Information for this article pulled from The consumer’s guide to credit counseling by Liz Pulliam Weston.

Tips To Keep Your Energy Bill Lower This Winter

Energy costs are predicted to be high during the winter months of 2005 due to the extreme hurricane season. However, there are several ways natural gas customers can lower their energy costs during the cold months:

• Contact your gas company to set up an equal payment plan to spread high winter bills over a 12-month period.
• Turn your thermostat to 65-68 degrees and when away from home, lower it to 58 degrees. You can save up to 3% for each degree of reduction. A programmable thermostat is also a money saver.
• Change or clean your furnace or filter once a month.
• Keep all heat registers and air ducts clear from obstructions.
• Inspect ductwork for damage, duct tape failure or disconnected ducts.
• Set your water heater thermostat to “warm” or 120 degrees.

You can also contact the Arkansas Office of Energy Efficiency at 1.800.558.2633 or view other energy related saving tips on their website at www.1800arkansas.com/energy/.

Business is Growing For IDA Saver

Julia Ishie, a mother of three and grandmother of two from Marvell, Arkansas, has operated Ishie Lawn Service part-time since January 2004. Julia learned about the Asset Builders program while attending FastTrac training at Southern Good Faith Fund to improve her lawn care business. She realized it was just what she needed to help her purchase new equipment for her business.

Before enrolling in Asset Builders, Julia didn’t manage her money well. “I was so bad at saving money,” Julia says. “The economic skills classes were great for teaching me how not to spend money on things I really didn’t need.” She credits both the Asset Builders program and the Business Development Center for giving her the skills and knowledge to improve her personal and business finances. “I would recommend the IDA classes to any and everyone. They make you see things you never thought about doing, such as freezing your credit cards,” she says.

After eight months of saving, Julia purchased a larger riding lawn mower, a trailer to haul it on, and a leaf blower. With the new equipment she can take on more jobs and improve her efficiency, giving her more time to spend with family.

Since completing the IDA program Julia continues to save regularly. She and her husband are saving for a large screen television. “For years my husband and I have wanted a bigger television,” says Julia. “Now I know how to save our money and to pay cash for items we want, instead of charging.”

Bank On It! A publication of the Southern Good Faith Fund Asset Builders program
Upcoming Classes

Pine Bluff
Classes are held at 10 a.m. and 6 p.m. at the Southern Good Faith Fund office, 2304 W. 29th Ave.

* Free childcare at the 6 p.m. class in Pine Bluff on January 31, February 28, and March 28.

January
4  Information Meeting
18  Credit Management—Solving Debt Problems
31* Renting, Leasing or Buying

February
7  Information Meeting
15  Asset Specific Training-Education
28* Asset Specific Training-Homeownership

March
6  Information Meeting
16  Money Management
28* Spending as a Habit—Saving as a Goal

Helena
10 a.m. classes (designated with an *) will be held at First Bank of the Delta, 502 Cherry St.
6 p.m. classes will be held at PCCUA T & I Building

January
5* Spending as a Habit—Saving as a Goal
11  Financial Services
12  Information Meeting
24* Credit Management—Solving Debt Problems
30 Renting, Leasing or Buying

February
9* Asset Specific Training-Homeownership
13  Asset Specific Training-Education
16  Information Meeting
21* Money Management
27 Spending as a Habit—Saving as a Goal

March
7* Financial Services
15  Credit Management—Solving Debt Problems
16  Information Meeting
23* Renting, Leasing or Buying
27 Asset Specific Training

Offices
Pine Bluff
Southern Good Faith Fund
2304 West 29th Avenue
Pine Bluff, AR 71603
870.535.6233 or 888.323.6233

Helena
First Bank of the Delta
502 Cherry Street
870.816.1120

Ruleville, Miss.
Mondays
117 Floyce Street
662.756.4343

www.southerngoodfaithfund.org

Building communities. Changing lives.