

Bank Offers Tips to Help Prevent Holiday 'Credit Hangover'

Posted by Darcy Bell Symes

Black Friday doesn't have to lead to black marks on your credit report.

First County Bank is kicking off the 2010 holiday shopping season with tips to manage holiday spending and avoid a post-holiday credit hangover.

"Consumers spreading holiday cheer should keep in mind that January bills are only a couple of months away," says Rey Giallongo, president of First County Bank. "If consumers are not budgeting for their holiday purchases, people will find themselves bringing in the New Year with last year's debt."

Below are spending tips to help consumers manage their finances this holiday season:

- **Create a budget and stick to it.** Set a dollar amount based on what you can afford this holiday season considering your current savings, income and other expenses. Be sure to include a \$50-\$150 cushion for unexpected expenses.
- **Make a list.** Write down the names of people you plan to buy gifts for and how much you can afford to spend on each person. Don't forget to save some of your budget for expenses other than gifts, including wrapping paper, cards and postage.
- **Bake some cookies.** That's right, if you can't afford to buy gifts for everyone on your list, bake some holiday goodies and wrap them in cellophane with a holiday bow. Handmade gifts are a special way to say "Happy holidays" without overspending. Be sure to include these costs in your budget.



- **Use credit wisely.** Your credit card balance shouldn't be a complete surprise when you open your statement in January. Take only the credit cards you need when holiday shopping and try to use the card with the lowest interest rate.
- **Save your receipts.** Keep track of your expenses and add them up weekly to be sure you're sticking to your budget. If you're getting close to your spending limit, reevaluate your list and bake more cookies!
- **Shop around.** Start your holiday shopping early to give yourself time to comparison shop. Take time to do some research before you hit the stores by going online or looking at your local newspaper circulars. And don't forget those coupons.

"Holding true to one's budget during the busy holiday season is an excellent jumpstart to healthy year-long budgeting habits," adds Giallongo.

Anyone who falls deep in debt and is late on their payments should inform creditors so they can work on a resolution plan. Banks and other lenders are often willing to consolidate debts or assist in refinancing.

A pattern of late payments in a credit report could make attaining future loans or credit difficult. Consumers in need of help with debt problems should contact the National Foundation for Credit Counseling at 1-800-388-2227.

First County Bank, headquartered in Stamford, Conn., is an independent mutual community bank with 15 branches in Stamford, Greenwich, Darien, New Canaan, Norwalk and Westport offering deposit products, mortgages, trust and investment services, business banking services and online banking. For additional information, please visit www.firstcountybank.com.