

THE MONEY COACHES



“Discipline is choosing between what you want now and what you want most.”

Abraham Lincoln

Subscriptions and your budget



As the year begins to wind to a close, many of us look back in a sort of reflective evaluation of how things went for us personally. Often that includes a look at how we handled our finances, whether for good or ill.

In the age of automation and electronic payments, there are a number of things that can really trip us up in that regard, so we're going to spend some time talking about some of those convenient charges that may have really started to put a dent in your wallet, without you even realizing it.

Streaming services

Many people have done away entirely with “normal” television options such as satellite and cable, in large part because of the constantly climbing costs. Unfortunately, while many streaming options exist that can minimize that overall cost, if you aren't careful, you can find yourself spending just as much or more than you were before. Most digital streaming services like Netflix, Hulu, and Disney+ cost you in the range of \$8-15 monthly. Considering the amount of content they offer, that's a significant drop from the average cable bill, which comes in at around \$217 per month. Even with

premium services like Sling TV, Hulu Live, or YouTube TV, you are generally paying anywhere from \$30-65 per month, which is still a good value compared with cable or satellite costs.

Convenience and luxury subscriptions

If you've spent any time on social media or television, you've no doubt seen ads for a number of convenient products that offer subscriber services. Think about men's products like Dollar Shave Club or Harry's. Both offer razors and other shaving products on a subscription service. While there is value in those products, if unchecked, they're another small charge that can add up to a lot over time. Apart from grooming products, you have convenience food subscription services like Blue Apron and HelloFresh, beverage subscriptions like Flaviar and Bean Box, and snack boxes like Snack Crate and Try The World. It has never been easier to have things delivered right to your door than it is today, but that convenience come at a cost and can spiral your budget out of control in short order. You can easily nickel and dime yourself to death if you aren't careful.

Shopping subscriptions

Now we get into the subscriptions that are perhaps less sneaky, but need evaluation all the same. Services like Amazon Prime or Sam's Club memberships. These aren't monthly charges, you're usually billed annually for them, and they can often be a good value. But it is important to evaluate how much you use them, whether you're truly benefitting in a tangible way, and if

they are worth keeping. Companies increase their costs, and so as with anything, regular evaluation of the value of a service makes sense.

Entertainment subscriptions

There are a number of services you might utilize that bill monthly for your entertainment apart from television streaming that can really add up quickly if you aren't careful. Services like Spotify Premium, Apple Music, Audible, and other digital services are all relatively inexpensive, but as with everything else, can add up to a lot. There is some value in each of these services, and so our intent is not to present them in a bad light. However, you do need to evaluate each of these things and decide whether they fit into your budget.

Conclusion

All of these companies are very good at courting you for your business. They offer free trials, discounted rates for limited times, and they automatically renew, straight from your bank account. That is a level of convenience that makes them very nice in many ways, but also given their total cost, easy to overlook. Before long, you can end up spending far more than you intended. Keeping track of those charges is all part of writing a *good* budget that reflects your actual spending.

Is your retirement going up in smoke?



All of us, if we're being honest, spend money at times on frivolous things. If we are in a good place financially, have a sound budget, and have accounted for our frivolity, it is not always the end of the world. But when we are pushing toward retirement savings and really need to maximize our contributions, there are some habits that can really trip us up. The two we're going to look at today are cigarettes and soft drinks.

Everyone knows that smoking is bad for you. To be surprised by that information means you've lived under a rock for a very long time. It is also no surprise that it is a costly habit. What might be surprising, however, is just how costly it can be. Smoking one pack of cigarettes each day comes to an annual cost of \$2,248 if you live in Indiana. That's \$44,968 over 20 years.

As far as soft drinks go, you might not view them as nearly so harmful as cigarettes. However, studies have shown that soft drinks have been linked to weight gain, diabetes, heart disease, cancer, and dementia. They also create problems with regard to dental hygiene, and contain no nutritional benefits. While they might not be as outright harmful as cigarettes, consuming them in large quantities is inadvisable.

Unfortunately, that is precisely how most Americans consume soft drinks. The

average household spends \$850 annually on soft drinks. That's \$17,000 over a 20-year span, which would be a nice boost to have in your retirement account.

On its face, those are big numbers over a 20-year time period. \$61,968 in your pocket would be an easy choice for most, in a vacuum, and even easier when you realize that you would have lost out on the interest accrued from that money over a lifetime.

But the fact is that those things are costing even more. Both have very negative health effects. Smokers tend to live 10 years fewer than non-smokers, face higher insurance premiums, and lead to health conditions that are expensive and unpleasant.

Likewise, the leading cause of death in the United States is heart disease, followed by cancer. As stated above, both outcomes have been linked to consumption of high amounts of sugar, like that found in soft drinks. By cutting back on them, you could both increase the money in your wallet now, and in the future, by limiting the health issues that can result in overconsumption of something with no nutritional value and inherent risk factors.

Deciding to make changes like eliminating these habits is not easy. However, it comes with a tangible financial and physical boost. You'll feel better, and so will your bank account.

For resources on how to quit smoking, check out <https://smokefree.gov/>

"Top Secret" Cookie Recipe!

Ingredients

- 4 oz butter or margarine (1/2c)
- 1/2c milk or 1/4c half & half/1/4c water
- 2c sugar
- 1c semisweet chocolate chips
- 4T peanut butter
- 3c quick oats
- 1 tsp. vanilla

Preparation

Place chocolate chips, peanut butter, oats, and vanilla in a large bowl. Combine the butter, milk, and sugar in a saucepan; bring to a full rolling boil. Boil for 1 minute. Combine the hot mixture with the oatmeal and chocolate chip mixture; stir well. Working quickly, drop by spoonfuls onto waxed paper. Makes about 30 2-inch cookies.

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