

# Two Cent Tips for Delaware

September 2009 Issue

Two Cent Tips for Delaware is dedicated to providing information that will help you:

**\$ Save money**

**\$ Stay hopeful**

**\$ Manage your resources**

**\$ Strengthen relationships**

**\$ Connect to local resources**

Receive Delaware's Two Cent Tips every month by sending an email to [TwoCentTips@udel.edu](mailto:TwoCentTips@udel.edu) with the word "subscribe" in the subject line.

Contents of this newsletter are developed by University of Delaware Cooperative Extension staff. We are dedicated to meeting the needs of individuals, families, and communities throughout Delaware through connections with university resources, knowledge, and research.

Your local Extension office can provide you with unbiased information to get you back in financial shape.

Call:

**New Castle County:**

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**Kent County:**

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## A Library Card is a Smart Investment

By Margo McDonough

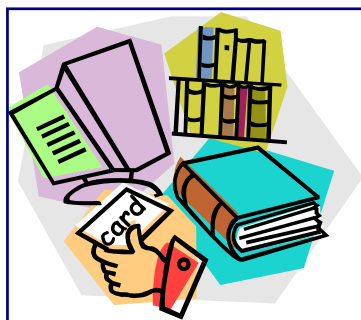
\$12 at the video store for two DVD rentals. \$6.99 for a paperback at the drugstore. \$27 for the reference book your child needed for his school project.

If that sounds something like your monthly expense for book purchases and DVD rentals, than you're spending more than \$500 a year unnecessarily. We're not suggesting you give up reading or movies; rather, that you discover all the free offerings that are as close as your local library.

"A library card saves you from pulling those other cards -- debit and credit cards -- out of your wallet," says Maria Pippidis, a family and consumer science educator with University of Delaware Cooperative Extension. "If you haven't been in a public library lately, you may not know about the wide range of print, audio, and video items that can be checked out, free of charge."

In addition to books, most public libraries stock videos and DVDs, including recent releases, children's programming, and, in some cases, foreign releases. Audio books also are a popular item with commuters, joggers, and others looking for books on the go.

If you don't find what you are looking for on the shelves, ask if the library can obtain it from an affiliated library. For example, New Castle County's network of 13 local libraries allows a patron in Claymont to request a book from Appoquinimink and pick it up at the Claymont facility just a few days later. The county's online card catalog allows one to search for, and request, items without leaving the comforts of home.



But don't just view your library as a place to pick up those requested items; you'll miss out on extensive programming for kids, seniors, and everyone in between.

Story times for preschoolers and book clubs for adults are time-honored traditions at most libraries. But these days, you'll also find workshops on photography or genealogy, game nights, family films, and computer classes.



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## Clothesline Drying Tips

- Hang T-shirts by the shoulders with an extra pin in the middle to prevent stretching.
- Hang pants by the bottom of the leg to speed up drying and fold the legs where you want creases.
- Fold sheets so they billow in the wind.
- Use extra pins to ensure heavy items don't blow away.
- Hanging clothes (especially diapers!) in direct sun is a great way to bleach them. But be careful about drying black and navy clothing – or anything else that will fade – in the sun.
- To prevent line-dried items from becoming stiff, add ½ cup of vinegar to the washer to soften them.
- Although it may seem counterproductive, tossing your towels in the dryer for just a few minutes after they have dried on the line will make them softer... and still save a lot of energy.
- If you don't have trees or posts from which to hang a line, or have a small yard (or laundry-intolerant friends or neighbors) try a collapsible “umbrella” clothesline, which can be stored when not in use.
- An indoor drying rack is a good investment for inclement weather. Avoid raw wood, which can leave marks and odors on your clothes.
- Avoid drying laundry indoors if your house has a moisture problem.
- Before you erect a clothesline, check with your condo or homeowners' association and local ordinance department. Hanging clothes outdoors is banned in some areas.

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For example, a recent month at the Hockessin Library featured several Delaware Money School classes, a knitters' group, a program on hearing loss and more.

Most libraries also subscribe to research databases that you may not be able to access from your home computer, including MedLine, the Delaware Public Archives, and Funk and Wagnall's Encyclopedia.



Of particular value to jobseekers are databases such as *The Wall Street Journal Online*, which is available in New Castle County public libraries. And career and job-hunting databases are just the start of the library resources available to those seeking employment. In New Castle County, the Newark and Woodlawn libraries even have dedicated areas – the *Woodlawn Job Zone* and the *Newark Careers Section* – with information on job bulletin boards, employment programs offered by the county and the state of Delaware, and other employment resources.

“Best of all, the price of admission can't be beat,” says Pippidis. “Anyone can visit a Delaware library and take advantage of the programs and services. To check an item out, all you need to do is obtain a library card, which is free with proof of residency. Once you start pulling out your library card you'll find yourself using those cards less often.”

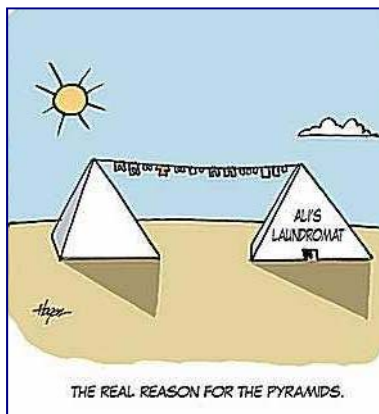
## **The Bottom Line on Line Drying**

*By Maria Pippidis and Anna Stoops*

Anna Stoops, Extension Agriculture Educator in New Castle County and one of my colleagues here in the office, did an 'experiment' this past month with her electric bill and line drying. She wrote and asked if this would be a good Two Cent Tip and I thought it would be appropriate to include in our newsletter this month.

Anna says she normally does laundry throughout the week; generally a load a day or so in the mornings, two to three times a week. As part of her experiment, she switched to doing laundry on the weekends and line-drying when she could. She found during the last month instead of using the dryer an average of 20 times, she used it three times and line dried 12 loads. For those who don't want to expose 'personal' clothing, she suggested hanging intimates in the basement on a line. She also found she had more personal time to do other things during the week because she wasn't doing laundry.

Anna also noticed that she was a bit more conservative on how often she washed things because it is more time consuming to hang the laundry - so she found she actually did fewer loads!



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## **RESOURCE CORNER**

### **Loan Savings Calculator.**

The Fair Issac Corporation provides an online calculator that shows the financial benefits of improving your credit score. Access at <http://www.myfico.com/myfico/CreditCentral/LoanRates.asp>.

### **Comparison Shop**

Bank Rates for Credit Cards and other Loan Products at: [www.Bankrate.com](http://www.Bankrate.com)

### **Self Help for Credit Repair:**

The FTC has a great publication that helps consumers know how they can repair their own credit. It explains their rights as well as ways to avoid being scammed. Go to: <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre13.shtm>



**Have you got a Two Cent Tip for Delawareans? Send us an email at: [TwoCent-Tips@udel.edu](mailto:TwoCent-Tips@udel.edu) with your favorite resources or savings tip. If we use it in our newsletter, you'll get credit and a special gift.**

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The proof was in the electric bill! Though she couldn't do an exact correlation analysis (because she did run the air conditioner for two weeks), she found that even with running the air conditioner, the electric bill was \$60 less than the month prior (where they did not run the air conditioner at all).

So, Anna shares her two cents: "Line dry your clothes whenever possible. They smell great and you can have a nice dinner with the money that you save! Hanging is also therapeutic - it reminds me of when I was little. I know many people already practice and know about this - but thought I'd share that there can be true dollars saved, not to mention being environmentally friendly."

Anna also shared that she purchased a retractable clothes line so that when not in use it can be put away. This can prevent safety hazards and improve yard aesthetics.

## **Improving Your Credit Score**

*By Maria Pippidis*



Raising your credit score is a bit like losing weight: It takes time and there is no quick fix. In fact, quick fix efforts can backfire. The best advice is to manage credit responsibly over time. Certain factors impact the score; things like how long you've had the debt, how much of a balance you carry as compared to the limit, the types of credit you have, how much credit you have, if you've been delinquent or late on payments. Here are tips to help you raise your score.

### **Payment History Tips**

- Pay your bills on time. Delinquent payments and collections have a major negative impact on your score.
- If you have missed payments, get current and stay current. The longer you pay your bills on time, the better your credit score. Remember most reports keep payment history for 24 months. The more recently you missed your payment, the more negatively it will impact the score.
- Be aware that paying off a collection account will not remove it from your credit report. It will stay on your report for seven years.
- If you are having trouble making ends meet, contact your creditors or see a legitimate credit counselor. This won't improve your credit score immediately, but if you can begin to manage your credit and pay on time, your score will get better over time.

### **Amounts Owed Tips**

- Keep balances low on credit cards and other "revolving credit." High outstanding debt can affect a credit score.
- Pay off debt rather than moving it around. The most effective way to improve your credit score in this area is by paying down your revolving credit. In fact, owing the same amount but having fewer open accounts may lower your score.
- Don't close unused credit cards as a short term strategy to raise your score.
- Don't open a number of new credit cards that you don't need, just to increase your available credit. This approach could backfire and actually lower your credit score.

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### **Length of Credit History Tips**

→If you have been managing credit for a short time, don't open a lot of new accounts too rapidly. New accounts will lower your average account age, which will have a larger effect on your score if you don't have a lot of other credit information. Also, rapid account buildup can look risky if you are a new credit user.

### **New Credit Tips**

→Do your rate shopping for a given loan within a focused period of time. Credit scores distinguish between a search for a single loan and a search for many new credit lines, in part by the length of time over which inquiries occur.

→Re-establish your credit history if you have had problems. Opening new accounts responsibly and paying them off on time will raise your credit score in the long term.

→Note that it's okay to request and check your own credit report. This won't affect your score, as long as you order your credit report directly from the credit reporting agency or through an organization authorized to provide credit reports to consumers.

### **Types of Credit Use Tips**

→Apply for and open new credit accounts only as needed. Don't open accounts just to have a better credit mix—it probably won't raise your credit score.

→Have credit cards—but manage them responsibly. In general, having credit cards and installment loans (and paying timely payments) will raise your credit score. Someone with no credit cards, for example, tends to be higher risk than someone who has managed credit cards responsibly.

→Note that closing an account doesn't make it go away. A closed account will still show up on your credit report, and may be considered by the score.

*Source: FICO.com, found 08/20/09 and adapted from Understanding your Fico Score from <http://www.myfico.com/crediteducation/brochures.aspx>*



## **NUMBERS - BANKS EYE BALANCE FOR CREDIT CARD STATUS**

"In general, consumers who are 'reckless' with their checking accounts by spending more than they have tend to repeat this pattern with their credit cards, so banks are smart to look at the consumer's overall habits, according to Robert Hammer, CEO of R.K. Hammer. Chase spokeswoman, Tanya Madison says that the bank has found that customers with Chase checking accounts generally have 'good credit' overall. Delinquencies in credit card balances have risen from **5.7%** in the fourth quarter of 2008 to **6.5%** in the first quarter of 2009." *From: USA Today, July 21, 2009, A-1.*

Though it's not happening yet, could this be a trend toward targeting consumers with less than perfect spending patterns for higher credit interest rates? Be aware! **Don't bounce checks and pay on time!**