**COST REDUCTION TOOLS TO**

**INCREASE / REDIRECT INCOME**

Saving money, in a way, has the impact of increasing your income because it gives you more money to save or frees up resources to be redirected.  However, if there’s a need to cut back, there are many cost-reduction strategies you can employ.  Here are a few:

* Do food planning and be mindful of food costs by doing things like using coupons, taking advantage of grocery store sales, shopping at big box stores, using what you buy and only buying what you use, and making things from scratch (clothing and food items).
* Cut back on unnecessary daily expenses and ask yourself why you’re doing them.  Think Starbucks. Is it convenience?  Habit?  Are there alternatives?
* Set a budget for occasions like birthdays, anniversaries and holidays.
* Buy or sell unused or slightly used items either online, via garage sales or in consignment stores.  Buying items secondhand is no longer stigmatized. It has become a sought-after option for consumers who want to have unique items or are shopping on a budget.
* Unsubscribe from shopping newsletters and catalogs to reduce the spending temptation.
* Review your property tax bill and fight it if it seems out of proportion to your home’s value or to that of your neighbors.
* Take short showers instead of baths.
* Rent out/share a room to save on housing costs.
* Close off rooms or turn off the heat in rooms not being used.
* Cut back on your cable bill by eliminating features with added monthly fees, like Netflix, HBO and having an excessive number of cable boxes.
* Consider an initial two years at a junior college for your child to cut back on the high cost of tuition at a four-year institution.
* Look into your city or county’s income/expense benefit programs and take advantage of any for which you qualify.
* If you’re a senior citizen, take advantage of senior discounts.  For example, shop on senior days, use AARP card discounts, eat out before a certain time, etc.
* Barter/trade for goods and services.
* Join loyalty programs in stores you frequent.
* Comparison shop for gasoline.
* Consider liability coverage only on cars that have minimal value.
* Price and install water-saver shower heads to cut back on water and energy.
* Schedule a free utility audit of your home to check for leaks and for places where added insulation might provide savings on your energy bill.
* Sell unused gift cards.
* Switch to a higher deductible to reduce your auto insurance premium.
* Bundle all your insurance coverage with one company to take advantage of discounts offered by having multiple policies with them