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## **The True Cost of the Holidays**

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The holidays are now behind us, all the presents have been exchanged and opened and the decorations put away for next year.

Like a ton of bricks, it hits us! We begin to receive our credit card and bank statements and when we open them we all feel "this can't possibly be right!" but after careful review we come to find it is. After the initial shock of how much we actually spent during the holiday season, we begin to rationalize our spending "we only do this once a year," "after all, the kids had a great time," and the rationalization can go on and on.

We will now pay off our debt for months and maybe even the entire year. Let this year be the last year this debt falls upon you.

Before you allow time to pass, start doing the following three things:

1. Calculate how much you really spent on the holidays this past year.
2. Calculate how much you really need to spend next year and start budgeting for it. You can do this by using our Holiday Spending Worksheet and Budget located at [www.budgetkeepersystem.com](http://www.budgetkeepersystem.com).
3. Determine and start implementing how you are going to save the money for next years holiday shopping.



Our Holiday Spending Worksheet is broken down into three major areas as follows:

**Gifts:** For immediate family, friends, relatives, office personnel, etc. capture your spending from this past season by calculating your receipts and credit card and bank statements.

**Food/Entertaining:** These categories are the forgotten categories. Try to calculate how much money you spent on holiday entertaining, this will include things like food, alcohol, soft drinks, baking items and that new sweater.

**Decorations:** Don't forget about the cost of decorating your house/apartment for the holidays. The lights, trees and ornaments all add up!

Now that you have calculated all your expenses, I believe you will agree that the actual amount you spent was a lot more than you anticipated. As they say "don't cry over spilled milk." Let's just make sure we are more prepared and careful with our spending for next year.

The basic philosophy of the BUDGETkeeper SYSTEM is that you should sit down with your significant other (if applicable) to review and discuss your holiday spending and the true cost. Now is the time to ask some questions and start budgeting for next year.



- 1) **Relative Gifts:** Is gift giving to aunts, uncles and cousins really necessary? This gift giving does add up to a lot of money. I'm sure they are all faced with the same situation as you. Maybe you should all discuss and agree to exchange one family gift or even better yet, no gift exchanging at all.
- 2) **Immediate Family Gifts:** Were three pairs of pants and ten toys for each child really necessary? Think this through and determine how much you are going to spend next year on each member of your immediate family.
- 3) **Friends:** Maybe exchanging some sort of homemade item like cookies would be a good idea instead of buying a present next year.
- 4) **Decorations:** Are you surprised at the amount spent on decorations? Maybe next year you can just use the decorations you have without purchasing additional ones.
- 5) **Food:** Every holiday season we go overboard on food. Stop to think how much food was thrown away after the holiday season. Maybe next year you could cut back on the quantity of food purchased. Make a single batch of cookies instead of a double batch.
- 6) **Entertainment/Holiday Cards:** How many unnecessary holiday cards did you mail? Is it necessary to send a holiday card to every person on your block? Did you really need to purchase a new sweater for your holiday party? Next year mail holiday cards only to relatives or friends you have not seen or talked to in long while and wear that same holiday sweater to your party, nobody will remember.

Now that you have reviewed and planned for your next years holiday budget, attach to your Holiday Spending Worksheet and Budget notes on how you are going to change your spending habits for the next year. Put this information in your October file so you have it readily available next year when it comes time for holiday shopping.