

Coping with Rising Prices

With gas prices passing \$4.00/gallon in Wisconsin many of us are feeling the pinch at the pump. While many families are still recovering from losing income during the pandemic, the current spikes in prices for gas and food can feel particularly hard to manage right now.

Consider trying some of the strategies listed below to keep costs down, allow you to meet your obligations, and to make room for the things you love to do.

Check out these tips to save on transportation costs.

- Plan ahead and **combine trips**. If you need to run to the grocery store, buy new shoes for your child, and pick up a prescription at the drug store, try to run all of those errands at once. That will save time and money over driving to and from your home for each one.
- Are there any opportunities to **carpool**? If your neighbor goes to the same house of worship as you, take turns driving each other to services. Do you pick kids up after school or from sporting activities? Try creating a carpool schedule with other parents so that you only have to make the trip a few times a week.
- If you live in an area that offers **public transit**, consider that as an alternative for some of your trips.
- As the weather warms, are there any places to which you can **walk or bike** instead of drive? We recognize this idea isn't feasible in many parts of the state.
- Consider **temporarily transferring some of your activities closer to home**, e.g. if you eat out for many of your meals try eating half of those meals at home.

At the grocery store there are many ways to save.

- **Shop with a list**. This is one that many of us have likely heard before, but it really is effective. If you commit to sticking to the list you made before arriving at the store, you'll be more likely to resist those tempting purchases that just add to your bill.
- **Use coupons**. This is another one that is likely an old favorite but bears repeating. Taking the time to look at what items on your list are on sale can result in big savings at checkout.
- **Plan your meals for the week** using the grocery store sales ads.
- **Replace some of the meat products in your cart with non-meat protein sources**. Foods like eggs, beans, and some nuts are great sources of protein and can cost a lot less than beef, chicken, fish, or pork.
- When buying fruits and vegetables, consider whether you can save money by getting **frozen or canned** instead of fresh. If you choose ones that don't have added sugar or sodium, the nutritional value is very similar. Plus, you won't have to worry about them spoiling as you do when fresh ones aren't

eaten fast enough. The best way to save money on fresh produce is to choose fruits and vegetables that are in season.

Here are some general tips for saving money when times are tight:

- **Write down your expenses and categorize them according to “fixed” and “flexible.”** Fixed expenses are ones that don’t change much from month to month and ones over which you usually have little control, e.g. rent or mortgage, cell phone bill, or monthly loan payments (auto, student). Flexible expenses are things like food, gas, home utilities (electricity, natural gas, heating oil), and streaming services. Look at your list of flexible expenses and see if there are any you can cut back by using the strategies listed above or other tips.
- A good way to keep records of your expenses is to **hold on to your receipts and organize them by categories**. You can also use apps or other online programs to help with tracking—lots of financial institutions are offering these for free to their customers so check with your bank or credit union to see what tools they have.
- When listing expenses, don’t forget to capture **irregular or seasonal** ones that don’t occur every month. These include things like auto insurance, back to school supplies, spending for birthdays and holidays, and taxes. They can sneak up on you because they only happen once or a few times a year, so it is helpful to anticipate them so you’re not caught off guard.
- **Limit your use of credit cards**. Interest charges and fees can add up fast if you can’t pay your monthly bills in full, so try to only charge what you’ll be able to repay.
- **Involve all household decision makers** (spouse, partner, roommates) in conversations around money. Schedule a regular time to have financial discussions. Explain what the current challenges and opportunities are and get everyone’s agreement on plans for cutting back or making spending adjustments.
- If your income and other resources aren’t enough to meet your obligations, **see if you qualify for any assistance**. In many parts of the state, you can call 211 or visit <https://211wisconsin.communityos.org/> to get help with food, rent, child care, utilities, healthcare, and mental health or <https://access.wisconsin.gov/access/> or call 1-888-256-4563.

One-on-one free financial coaching is also available to any Wisconsin resident from UW-Madison Division of Extension.

Visit <https://finances.extension.wisc.edu/people/contact-a-uw-madison-division-of-extension-financial-educator/> to find get in touch with your local financial coach or to contact one of our colleagues who provide this service across the state. Financial coaching is free and confidential and can be done in- person, by phone, or online. Visit this site for more ideas on how to cut back and keep up when money is tight: <https://finances.extension.wisc.edu/files/2020/12/Cutting-Back-UW-3.20.pdf>