

How to Start Saving: Set Your Goals First

We get that **making a budget** ranks right up there with a dentist appointment or trip to the DMV in terms of things you'd rather do. But it's your essential first step when you want to start saving money. If you want help, get a **free financial plan** and get matched with a financial advisor.

The **best budgeting apps** also make it easy to keep track of your spending and identify areas where you can cut back. Just be sure to comb through several months' worth of expenses to get a true sense of where your money is going (or let the **Cleo money app** do it for you). Don't forget about the expenses you don't encounter every month, like holiday gifts, or annual expenses such as your car registration costs. If you don't set goals, the only thing that your new budget will do is make you feel terrible about just how little money you're saving. To get motivated to make saving a priority, spell out **why** you're saving.

Think about the short-term goals you're hoping to accomplish within the next year or two. Building an **emergency fund** for your family, making a down payment on a home, or **saving for a vacation** may be goals that work for you. Also, consider your long-term goals, like putting more money in a **529 plan** for your child or **saving for retirement**.

The average APR for people who carry **credit card debt** is well over 16%. Your bank jumps for joy when you don't pay off your balance because it's getting rich "off" all that interest. Quit padding your bank's coffers and break up with your credit card debt forever. Some tactics to try:

- The **debt snowball method**, with which you attack the smallest balance first.
- The **debt avalanche method**, with which you focus on the card with the highest interest rate.
- A **debt consolidation loan**, with which you merge your debts into a single payment. This is only a good option if you're lowering your interest rates.
- A **balance transfer credit card**, with which you transfer your balances to a card with a 0% promotional interest rate. That zero-interest period typically only lasts 12 to 18 months, though, so this approach is best if you don't have tons of debt. If you need help, use **Credit Sesame's free tool** to help you find the credit card that matches your needs.

Grocery and Meal Planning

- Grocery stores play all kinds of mind games with you, and you're most vulnerable if you shop while you're harried and hungry. A great way to combat their money-snatching tactics is to make a shopping list and devote a few hours to **meal prep** every week.
- But don't get too ambitious here. If you're an **UberEats** addict whose pantry consists of three spices, you're setting yourself up for failure if you plan to cook 21 meals a week. Start with a more reasonable goal, such as making your own breakfast and lunch each day, plus dinner three nights a week.

Free Shipping

Free shipping if you spend just another \$12. Step away from the digital shopping cart. If you're being coaxed into shelling out another few bucks for something that's "free" — well, it isn't **really** free.

Playing the credit card rewards game is another good example. Yes, you can score free airfare and cash back. But it's only **free** if you don't spend more to get those rewards and **if you pay your balance in full every month**. Otherwise, you'll shell out way more in interest than you're getting in rewards.

Automatic Purchases

Curbing mindless spending isn't just about cutting out late-night Amazon purchases and impulse grocery buys. You probably have monthly subscriptions and memberships that are draining your bank account each month for things you rarely, if ever, use.

One of the best ways to save money is to look carefully at gym memberships, streaming services, subscription boxes and anything else that you automatically pay for each month. If you haven't used it in the past month, it probably belongs on the chopping block. Also, be on the lookout for any **free trials you forgot to cancel.**

Electric Bill

The last eight years have been the hottest in recorded history, and these unusually warm summers aren't going anywhere soon. As NASA climatologist Gavin Schmidt told the Washington Post last year, "There is no going back."

Rising temperatures mean more extreme and dangerous weather, more uncomfortable days no matter where we live, increased chances of heat-related injury and death and, yes, more expensive energy bills. In the face of continued inflation, it's important to look for ways to save energy and keep utility bills low. But short of turning off your air conditioner and hoping for the occasional breeze through some open windows, what can you do to keep your electricity bill down?

- Change air filters and keep vents clean
- Adjust the thermostat throughout the day
- Adjust temperature on water heater
- Invest in fans
- Get into the habit of unplugging
- Invest in blackout curtains
- Check ductwork and attic
- Use energy saving light bulbs
- Cut dryer time with dryer balls
- Upgrade to energy-efficient appliances
- Check options from power company
- Get caulking
- Develop water-saving habits
- If you have a dishwasher, use it
- Use less water when flushing
- Master the art of washing clothes
- Keep an eye out for leaks
- Install water-saving showerheads and faucets
- Run appliances at night

Utilities are the services used to run your home, which include water, electricity and gas. Some may consider phone, internet and other services utilities as well. Because your electric bill is the main one that can get out of hand — and is probably top of mind as we contend with high temps — we'll start with how to lower electricity bills. If you have gas heat and gas-powered appliances, some of these tips will be useful as well.

1. Change Air Filters and Keep Vents Clean

Let's face it, air-conditioning vents aren't pretty. You may feel inclined to place furniture in front of them, but it's important to leave enough room so that cool or warm air can actually flow out and into your space. In fact, blocking vents with furniture could cause your HVAC system to work extra hard — and eventually break down.

But more important for the health and efficiency of your HVAC system is actually keeping up with routine maintenance. That is, changing out the air filter every couple of months — more frequently if you have dogs or cats. When air filters get clogged up with dust, dirt and pet hair, the airflow becomes blocked, making your air conditioner and furnace work harder (i.e., less efficiently) until it decides to call it quits. When changing out the filter, use your vacuum's brush extension to brush off and suck up any dust around the slot.

The same goes for your outdoor AC unit: Trim back bushes and remove any debris touching the unit, leaving at least a foot of space for it to work its magic.

2. Adjust the Thermostat Throughout the Day

If you'll be gone during the day (and don't have pets at home), set the thermostat a little higher than what you'd otherwise leave it at during the summer. You can also save energy by turning the thermostat up a smidge at night.

But don't get too stingy with the cool air. If you set the temperature too high while you're away, your unit will have to work even harder to cool down the place when you get home. This drives your energy bill up and can also stress the unit, and no one needs added stress — not even your HVAC system.

If you own a home, you can really put it on autopilot by investing in **a programmable thermostat** that adjusts the temperature according to the schedule you set. You can get a smart programmable thermostat and use voice control or your phone to adjust the temp while you are home. Some even remind you to change the air filter!

3. Adjust the Temperature on Your Water Heater

While you're adjusting your thermostat, you may as well tinker with your water heater temperature too. Whether it's powered by electric or gas, lowering the max temp on your hot water heater can lower your utility bills (and protect your skin — scorching hot showers are bad news for your body's largest organ).

The default temperature for a water heater is 140 degrees, which wastes between \$36 and \$61 a year, according to the U.S. Department of Energy. Lowering the temp to 120 degrees is perfectly fine for most people.

4. Invest in Fans

Fans use way less energy than your furnace or air conditioner and can actually be used to help cut both heating and cooling costs.

Most ceiling fans come equipped with a switch to change the rotation direction — set them counterclockwise in summer to bring down the cool air and clockwise in the winter to pull cool air up and push warm air down.

If you can't invest in ceiling fans or are renting from a landlord who won't install them, not all hope is lost. Just get some **tower fans** for the hot summer months. They also use way less energy, so you don't have to turn down that thermostat any lower than it needs to go. Some even come with remote controls so you can adjust them from the couch.

5. Get Into the Habit of "Unplugging"

Some appliances should stay plugged in all the time, like your refrigerator and digital alarm clock. But the Department of Energy points to other household electronics, including TVs, computers and toaster ovens, that you should unplug when not in use. Electronics that unnecessarily stay plugged in are in standby mode, which accounts for 5% to 10% of the average household's energy usage.

By unplugging these appliances and electronics, the DOE estimates that you could save about \$100 on your energy bills every year. That's about \$8 a month in savings on your electricity bill. To make it easier on yourself, you can plug these electronics into a single power strip, then just flip the strip off when you're done using the appliances for the day.

Also, your electrical outlets could be letting warm air escape while pulling cool air in (and vice versa), so **socket seals** are another way to save on energy. And if you have socket seals you're not using, consider outlet plug covers for a complete seal.

6. Invest in Blackout Curtains

Blackout curtains block out light and noise while keeping cool or warm air from escaping, allowing you to set your thermostat a few degrees higher or lower than you normally would.

Unless you're a night owl (or a vampire) and get all your sleep during the day, there's no need to get these for every window in your home. Just buy them for the ones getting the most sunshine throughout the day (south-facing windows are the biggest culprits). In the winter, thicker window treatments like curtains can help keep heat from escaping.

7. Check Ductwork and Attic

Your home's ductwork and attic can also be allowing warm or cool air to escape, and there are a couple of obvious signs when they're in need of repairs. If you can see the support beams in your attic, your attic needs more insulation. As for ductwork, seeing dust is actually a good thing. If you see parts of your ductwork that aren't collecting dust, this means air is leaking out of the joints and seals, and it needs to be patched up.

The Department of Energy's website has more in-depth instructions for how to **insulate your home**, and you can find plenty of DIY tutorials on YouTube. However, insulation takes skill to install, and recommendations vary by climate, so it's really best to hire a professional to inspect and do the work for you.

8. Use Energy-Saving Light Bulbs

Replacing your home's incandescent, compact fluorescent and halogen light bulbs to the much more energy-efficient light-emitting diodes (LEDs) can save you about \$225 a year. Which LEDs you choose depends on how much you're willing to spend, how often you're willing to replace them and your lighting preferences; however, the Department of Energy agrees that **LED light bulbs**, whichever you choose, are an easy way to lower utility bills.

Of course, these bulbs generally cost more up front, but they save more energy and last longer than the other options, so the investment may be worth it. There's no need to replace every light bulb in your home at the same time if you're strapped for cash. Just replace them as they burn out, that way your energy savers can be money savers from the start.

9. Cut Dryer Time with Dryer Balls

You might think that "**dryer balls**" are meant to prevent static and wrinkles — and you're right — but they do more than that. Dryer balls can actually cut drying time by up to 25%. So not only can you save a little bit of money on utility bills, but you can also cut down your chore time. Regularly cleaning your dryer's lint trap can also improve its efficiency and help prevent fires.

10. Upgrade to Energy-Efficient Appliances

Heating and cooling systems, refrigerators, ovens, washers and dryers cost quite a bit of money upfront, but investing in energy-efficient options will save you money in the long run. Make sure you get one with the official Energy Star label.

Because these big-ticket appliances are an investment, you might need to budget and figure out ways to save money ahead of time. You can also check out the best times to buy new appliances by keeping track of big sales and new model releases. The best sales usually fall around holidays - including Memorial Day, July 4th, Labor Day, Veterans Day and Black Friday.

Many brands also run sales with deeper discounts when they're planning on rolling out new models, which usually happens in September, October and January. (The exception is refrigerators, which usually make their new model debuts in May.)

If you're comfortable making these buying decisions online or simply like to avoid crowded stores, you can find discounts on all appliances year-round. However, shipping costs can increase, so shop around and compare prices. You may even be able to find upgraded used appliances on sites like eBay, Craigslist, Offer Up, Let Go and Facebook Marketplace and at donation centers like The Salvation Army.

11. Check Options from the Power Company

Many power companies offer something called budget billing that averages your utility bills throughout the year to create a flat-rate bill with no surprises. That means you'll pay a little more than you typically would in the spring and fall when temperatures are moderate, but your electric bill and gas bill should be more manageable during peak hot and cold seasons.

Check your power company's website or call the company to discuss what it has to offer. You can also check out programs like "WattBuy" to see if you're eligible to switch energy providers.

12. Get Caulking

Caulking around windows and doors can keep hot air inside in the winter and cold air inside in the summer. It's one of the easiest DIY home repairs you can tackle; the Department of Energy says you can caulk the whole house in a couple of hours for as little as \$3.

Caulking helps solve minor air leaks, but if your utility costs skyrocket in the winter and summer, you might need to think about more extensive upgrades, like a new roof or storm windows, which can prevent more serious air leaks. A home energy audit can tell you what the most strategic energy-efficient upgrades to your house might be.

****Tips for Saving Money on Your Water Bill****

****Unless you're living in a household with several other people or your pipes have leaks, you don't have to worry as much about your water bill getting out of hand. But there are a few things you can do to shave some dollars off that bill, while going green to protect the environment. ****

13. Develop Water-Saving Habits

Remember when your parents would yell at you for letting the water run while brushing your teeth or taking too long in the shower? Well, they kind of had a reason: They were paying the water bill.

Now that you're footing the bill, get in the habit of turning the water off while brushing your teeth, lathering yourself up in the shower and even scrubbing dishes before rinsing. Another water-saving habit: If you take a glass of water to bed and don't drink it all, don't dump it in the morning. Use it to water houseplants or fill up the dog bowl; they're much less picky drinkers.

14. If You Have a Dishwasher, Use It

You would think a big appliance like a dishwasher takes a lot of water to run, but it actually uses less water than washing dishes by hand — and it does a better job of sanitizing too. If you ask me, any reason not to wash my dishes is a win.

This doesn't mean you should run the dishwasher every time there are a few dishes loaded - make sure it's a full load to be the most cost-effective. To save even more pennies, don't rinse your dishes and choose the "air-dry" cycle.

15. Use Less Water When Flushing

Want a simple trick to save water when flushing? Simply load a couple of plastic soda bottles with an inch or two of pebbles or sand and fill them up with water. Then, screw on the lids, and put them in the toilet tank. Make sure they're away from all the operating mechanisms. This easy hack reduces the amount of water your toilet uses every time you flush.

If you'd prefer not to go the DIY route to save on flushing, you can save a lot of money by investing in low-flow toilets. You'll just have to budget for the upfront cost of purchase and installation.

16. Master the Art of Washing Clothes

There are a few ways you can conserve while doing laundry. First, be sure you have a full load, rather than washing several smaller loads. Then, be sure to wash that full load on cold.

According to Consumer Reports, washers and detergents have evolved to the point that it's perfectly fine to wash everything on cold — even your whites. The only exception is when someone in the household is sick or when washing extra-soiled clothes and linens. Then, be sure to turn the temperature to hot or warm and use bleach if possible.

Finally, feel free to skip that extra rinse. Just be sure you're not using more detergent than you need. Not only will you save money on water (and detergent), but your clothes will smell better, too.

17. Keep an Eye out for Leaks

Find and repair any plumbing leaks, whether they're from dripping faucets or toilets. Running toilets send gallons of water down the drain on a daily basis and cause costly damage. Leak sensors can help you keep an eye on things.

But before you call that expensive plumber, check out YouTube. There are a few video tutorials on how to fix a running toilet yourself.

Also, when turning off faucets, be sure you're turning them off all the way. If your faucet is dripping, give the handle one firm twist before calling up the plumber. Sometimes, all you need is a little force to turn the faucet all the way off.

18. Install Water-Saving Showerheads and Faucets

If you have multiple people using water in your home every day, upgrading to water-saving showerheads and faucets can be a great investment. There are plenty of options for water-saving showerheads that purge cold water when the water is turned on and then restrict the flow once the water heats up.

When replacing faucets, look for those labeled as "Water Sense" certified, per the EPA. Costs can be high, so shop around.

19. Run Your Appliances at Night

Some utility companies can be sneaky and increase their rates during the day, which are considered peak hours. They might say it's to encourage conservation, but we all know everyone needs to make money.

If your water and/or power company charges different rates depending on the time of day, consider doing some chores at night. Running your washer, dryer and dishwasher at night can help you avoid being charged the higher rate and lead to energy savings on both your electric and water bills in the long run.

This is also a great way of getting into the habit of loading that dishwasher after dinner, so you won't have to soak or scrub those leftover dishes before loading them in the dishwasher — saving even more on water costs.