Avoid the Financial “Hangover” This Holiday Season

As joyous as the holidays can be, it can also be a stressful time of year for many of us, particularly when it comes to managing your finances. Don’t spend the holidays under unnecessary stress! To help, we’ve compiled our answers to the most frequently asked questions we hear from our clients this time of year. Let’s make sure you’re financially prepared for the holidays and avoid that dreaded “holiday hangover.”

Q: How can I better prepare myself for my holiday expenses?
A: Consider opening a Savings Club Account, with which you can painlessly build your savings year-round with small, recurring, automatic deposits. A club account is a 12-month product that is funded through weekly, bi-weekly or monthly automatic transfers from your C&N checking or Key Savings accounts. These accounts earn interest at any balance level, even $0.01, and are payable after 12 months in any month you choose. You’ll barely notice the transfers throughout the year, but when it’s time to receive your payout, you’ll be ready to go holiday shopping!

Q: Can I borrow a small amount of money to buy my children some gifts?
A: C&N offers several different loan products that could be considered, each with different features and benefits. As with any loan, they are subject to credit approval and the interest rate is dependent on credit score. Here are two of our most popular options:

Ready Cash Loan
This type of loan can be handy in a couple of different ways. Providing you with cash flow, this loan acts more like a revolving line of credit. It allows you to take advantage of the convenience of your Visa Check Card by either 1) using it as a no-bounce account, which means that in the event that you overdraw on your checking account, funds will automatically transfer from your Ready Cash Loan in $50.00 increments, covering the overages and saving you from costly overdraft fees, 2) making transfers at your discretion free of charge through online banking, C&N’s mobile app, over the phone or in person at your local C&N office.

Home Equity Line of Credit
While many people may not think to borrow against the equity of their home for purchasing power, the benefits of taking this approach can be quite compelling. As a revolving line of credit, a home equity line of credit (HELOC) provides the convenience and flexibility of accessing only the amount of money that you need, whenever you need it. HELOCs typically offer a lower interest rate than a credit card and the interest that you do pay could be tax-deductible (consult with your tax advisor about this). After the holidays, a HELOC may be a great option to consolidate your...
debt, pay off balances faster and may come with lower monthly payments.

Q: Are savings bonds still a good gift for my grandchildren?
A: A savings bond is a safe financial investment that can help children learn about money. They come in increments as low as $25.00 and are primarily sold electronically through TreasuryDirect.gov, but you can still buy paper versions of certain types of bonds as gifts with your IRS tax refund. Although the process of gifting a savings bond electronically is somewhat cumbersome and the return rates have significantly deteriorated over the years, they do offer a few nice benefits worth consideration. For one, they can be teaching tools for learning about topics like compound interest. Plus, on the personal side, the recipient will always know who gave it to them. They also generate funds with no strings attached, meaning the recipient can use the funds whenever and for whatever reason they need them.

Take control of your finances this season so you can spend less time stressing out and more time enjoying your family and friends. To learn more about how C&N will make your life easier, visit us at www.cnbankpa.com, give us a call at 1-877-838-2517 or visit your local branch.

"We feel that we are ‘people’ to C&N, not just another bank account."
-Tyler and Angela Rhone

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