



**motion picture  
pioneers  
assistance  
fund**

# SOCIAL SERVICES CORNER

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## A GOOD RESOLUTION: PAYING DOWN CREDIT CARD DEBT

**Question:** I made a New Year's resolution to pay off my credit card debt. Should I pay off my high-interest credit cards first?

**Answer:** Maintaining high balances on credit cards costs American consumers billions of dollars each year in interest, penalties, and fees. Credit card debt is the consequence of several complex factors: 1) revolving credit, which means you continue to accumulate debt despite making payments; 2) poor spending habits, such as impulse buying; and 3) a complicated credit banking system. The good news is that you can meet your New Year's goal because at least one of these factors—spending habits—is within your control.

You are taking the correct first step by paying off those cards. Some people find it psychologically satisfying to pay off a low-balance card first in order to prove they can do it. However, most consumer financial experts agree that paying off the high-interest card balances first makes better sense. Even if you are no longer using the cards to make

purchases, there is nothing to be gained by allowing those accounts to build interest and fees.

Clark Howard, a popular radio show host, suggests a strategy called “laddering,” which means you allocate a higher payment to higher-interest cards, less to the next highest, and so on. For example, if you decide you can commit \$600 per month to reducing this debt, you'll pay \$300 to the highest-interest card, \$200 to the next highest, and \$100 to the lowest. Eventually, the highest-interest card balance goes down, and as you move within striking distance of a total payoff, the second-highest-interest card balance has a serious dent in it. Also, making a payment every two weeks puts you ahead of the interest cycle.

Be patient. If your balance is thousands of dollars, this process can realistically take up to 60 months of disciplined payment. But it's worth it!

Sources: The U.S. Federal Trade Commission, [www.ftc.gov](http://www.ftc.gov); “5 Credit Card Mistakes Almost Everyone Makes,” [www.financialhighway.com](http://www.financialhighway.com); “Paying Off Credit Card Debt,” [www.ClarkHoward.com](http://www.ClarkHoward.com).

## JOKE OF THE MONTH

**A minor operation is one performed on somebody else. A major operation is one performed on you.**

— Bob Phillips, *A Joke A Day Keeps The Doctor Away*

Laughter is known to boost the immune system, lower blood pressure, burn calories, and release pleasure-inducing chemicals in the brain.

### Go Green!

Receive *Social Services Corner* by email.  
Call (888) 994-3863, ext. 2370, or email [info@wrmail.org](mailto:info@wrmail.org).

**Do you or does someone you know need our assistance? Call toll-free (888) 994-3863 or visit [www.wrpioneers.org](http://www.wrpioneers.org) to find out more about our assistance programs.**



The Motion Picture Pioneers Assistance Fund is a program of the Will Rogers Motion Picture Pioneers Foundation.



## NEW YEAR'S RESOLUTIONS: TIPS FOR SUCCESS



Making resolutions as the calendar turns over to the new year is a practice more than 4,000 years old. The ancient Babylonians and Romans tried to curry favor with the gods by offering up promises of great things to

come in the new year.

These days, New Year's resolutions are better known for their comedic failure rate among well-intentioned smokers, overeaters, workaholics, and people who swear too much. So this year, why not aim low? Be kind to yourself, and the gods, by setting goals you can actually achieve, and trumpet your victory all the way until New Year's 2013!

First, try a step-up approach. If your goal is to reduce your monthly credit card balance by \$800 each month, try to get it down by \$200 per month by March, by \$400 per month in June, and so on. Surely over the course of three months you could cut \$200

out of your spending, but finding \$800 right out of the January gate is daunting.

Second, add on to something you already do regularly. For example, pledge to eat more fruits and vegetables. You already shop and you already eat, so why not throw a bag of baby carrots or a few bananas in the basket? You're halfway to success!

Finally, reframe your goal. If every year you fail at "losing weight," try a different, related health goal. Lower your BMI (body mass index), lower your cholesterol, or walk around the block after dinner. These all lead to better health and are related to weight loss, without the familiar albatross of dieting and unused gym memberships.

This year, make your New Year's resolution the gift that keeps on giving all year: the opportunity to succeed and feel good about your accomplishments. This momentum gives you the boost you need to raise the bar a little bit at a time, year after year, until you reach your own personal best. Happy New Year!

Source: "Ready For Midnight," Sally Dugan, [www.theage.com.au](http://www.theage.com.au).

## NEW ADDITIONS TO THE MPPAF'S NATIONAL RESOURCE DIRECTORY

### Disability.gov

This website is managed by the federal government and provides comprehensive information on disability programs and services nationwide. It is a web portal, which means each time you select a resource, you will be directed to another website.

### Alcoholscreening.org

This website is a free service of the nonprofit organization, Join Together. Visitors to the website can assess their own alcohol consumption to determine if their drinking is likely to be harmful to their health.

### QUOTE OF THE MONTH

“It's a great country but you can't live in it for nothing.”

— Will Rogers



To view our entire National Resource Directory, please visit [www.wrpioneers.org](http://www.wrpioneers.org).