



# SPOTLIGHT ON FINANCE

## Bracing Financially for Colder Weather

As the weather begins to change, keep your financial situation in check so you can conquer the season without hurting your budget. Don't be caught off guard. Preparing for the unexpected can help lift the burden this winter when forced to deal with the high cost of home maintenance and emergencies.

Applying common sense ideas in preparing your home in advance and by getting a head start in the offseason you can yield major savings as well as possibly saving you thousands of dollars in damage repair and other costs. Especially for consumers that are living paycheck to paycheck.

- \* **Trim trees close to your home and near power lines.** Ice storms can weigh down branches causing them to break and result in power outages, and loss of frozen and refrigerated foods. Don't be the reason you and your neighbors are freezing.
- \* **Clean your chimney.** Make sure chimneys are clean. Built-up soot can lead to fires. You may want to consider installing a chimney cap to prevent small animals from entering your home as temperatures drop.
- \* **Reverse your fans.** Did you know that changing the direction of your ceiling fan in the winter not only makes you feel comfy, it allows you to adjust the thermostat

and give your heating unit a much needed break—not to mention your wallet. In the winter, ceiling fans should rotate clockwise at a low speed to pull cool air up. The gentle updraft pushes warm air, which naturally rises to the ceiling, down along the walls and back to the floor, making the room feel warmer, and allows you to lower the thermostat and decrease the use of heating devices.



How can you tell if your ceiling fan direction is set for winter? Turn on the fan, stand directly under the fan blades and watch the blades as they rotate. The blades should move like a clock's hand, from the top to the right, then down to the left, and back to the top at a low speed to pull cool air up.

There is an exception to this, however. If your ceiling fan is mounted on a two-story cathedral or a vaulted ceiling, the fan is too high to create a discernible wind chill, and therefore, can stay in a counterclockwise setting year round.

- \* **Clean those gutters.** Remove those fallen leaves that accumulate fast. Clogged gutters and down spouts hold water, which might freeze as temperatures drop and add additional weight to the gutters. If you're not as young as you once were, you may want to invest in gutter coverings, for your safety and added protection.
- \* **Outdoor Spigots.** Don't forget those outdoors spigots around your home. Turn off, remove garden hoses and protect spigots with inexpensive insulated covers from your local home improvement store. Although this may feel like an unnecessary task, not doing so may send your budget through the roof if your pipes freeze and burst.
- \* **Take Advantage of the Heat From the Sun.** Open curtains on your south-facing windows during the day to allow sunlight to naturally heat your home, and close them at night to reduce the chill from cold windows.
- \* **Air Leaks in Doors and Windows.** Weather stripping your doors and windows can shave up to 30% off your energy bill. To detect leaks, shine a flashlight into the edges of doors and windows and have someone outside

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# Loan Intimidation Scams

Has this happened to you? You just settled in to watch your favorite sporting event or show on TV, or else you've start-ed eating a meal with your family and you receive a phone call from a person advis-ing you that you owe on an account with the company they represent and if it is not paid immediately they are "sending someone to arrest you and take you to jail". The problem is you've never had an account with the company referenced in the caller's message or else you conduct-ed business with the company in the past and the account was paid-in-full.

These occurrences are taking place more frequently across the state. In some in-stances, the caller sounds very intimi-dating and typically has accurate phone number and employment information. The caller may even offer to accept a re-duced amount from what was initially advised as being owed, so you can avoid what they term as the embarrassment of going to jail. Debtor's prisons haven't existed for centuries and if monies are agreed to and sent for the reported debt, you've more than likely become the vic-tim of a loan intimidation scam.

The following are several tips you can use whenever you may encounter calls of this nature to hopefully avoid becoming a victim of this popular scam:

1. If the caller reports to be with a col-lection agency, on behalf of the com-pany reportedly owed, ask them to provide you a copy of their Tennessee Collection Services license. Collection agencies that operate in Tennessee must be licensed through the Tennessee Collection Service Board. If the caller can't provide

license information, there is a high probability they are not licensed or even a legitimate collection agency. For further validation, you can search <http://verify.tn.gov/> to confirm whether they are licensed as a collections agency with the state.



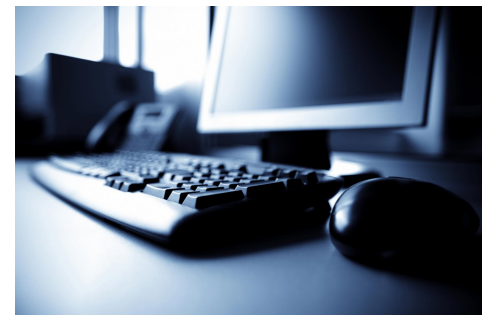
2. Pursuant to the federal Fair Debt Collection Practices Act, a reported debt collector is required to provide certain information, or validate the debt supposedly owed. They have to give you the name of the creditor, the amount owed and how you can dispute the debt. If this information isn't provided when they first make contact with you, it is supposed to be sent to you through written notification within five (5) days of the initial contact.<sup>1</sup> If the caller cannot or will not provide this information over the phone or respond to the request to send you the information in writing, again there is a high probability this isn't a legitimate debt that is owed.
3. The issue of the caller having accurate phone number, employment data, along with other personal identifying information, is of great concern. It is understandable, to an extent, if you have previously transacted business with the company named by the caller that they may have your personal information. However, in situations where you may have made application for a loan online and then refused a loan approval offer, your personal information that may have been given as part of the application process remains in

cyberspace and criminals may be passing it around in their efforts to seek victims to their scams. To ensure this type of information hasn't been used to obtain credit accounts using your personal data, you can request your credit bureau reports at: [www.annualcreditreport.com](http://www.annualcreditreport.com) to search for any unauthorized inquiries or accounts.

4. Should you receive information of a loan intimidation scam through the US Postal Service and after investi-gating, you determine it to be fraudu-lent; you can send this for further analysis to the US Postal Inspection Service. It is very helpful if you are able to include the envelope and any correspondence received. This can be sent to the US Postal Inspection Service that covers all Tennessee zip codes at:

Postal Inspection  
Service 2901 Scott  
Futrell Drive Charlotte,  
NC 28228-3000 (P)  
877.876.2455

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## Bracing Financially for Colder Weather

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see where light is shining through. You may want to explore whether a leveled billing option is right for you on your electric and gas bills and possible to help offset the larger utility costs that may occur in the winter.



Creating an emergency winter weather budget may help in the management of these unexpected and unforeseen expenses. Lastly, do your research and find qualified contractors and services in advance. Talk to family and friends for recommendations on local individuals and companies in your area. Take the necessary steps to prepare your home in advance and seek advice from professionals on possible preventive measures. Saving money doesn't always mean that you clip coupons or cut back on spending. Taking these common sense steps may save your cold weather cash.

### Financial Tip

**Keep track of your spending and at least once a month, use your credit card, bank statement and other receipts to review what you've purchased. After reviewing, ask yourself if it makes sense to reevaluate your spending and use the money from cutting back to establish an emergency savings account.**

## Fair Credit Reporting

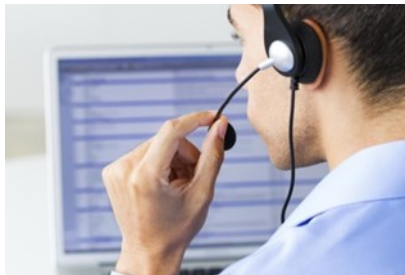
Ever wondered what the exact role of the Consumer Credit Bureaus is? The role of the consumer credit bureaus serve as control storehouses-or libraries-of credit repayment information. They collect the credit information from credit grantors such as banks, savings and loans, credit unions, finance companies, and retailers.

Credit grantors then access this combined information from the bureaus to help them make lending decisions. There are three major nationwide credit bureaus Experian, Equifax and Trans Union, in addition to many smaller independently owned credit bureaus.

Your credit report contains important information about you which generally includes facts about your identity, where you work, live, your bill-paying habits, and public record information. Credit grantors use credit reports to determine whether or not you will be extended credit. Identity information- includes your name, address, marital status, Social Security number, date of birth, number of dependents, and previous addresses. Employment data - includes your present position, length of employment, income, and

previous jobs.

Factual information about your credit history consists of your credit experiences with specific credit granters. Public record information- includes civil suits and judgements, bankruptcy records or other legal proceedings recorded by a court. A credit report does not contain information on ar-



rest records, specific purchases, medical records, race, religious preference, or personal lifestyle.

Most of the information in your consumer credit report comes directly from your current creditors. Credit bureaus compile the data and then provide it to lenders when you ask for a new credit card or loan. The credit reports purpose is to help a lender decide whether to grant you credit. The credit bureau's role is only to provide credit information. They do not

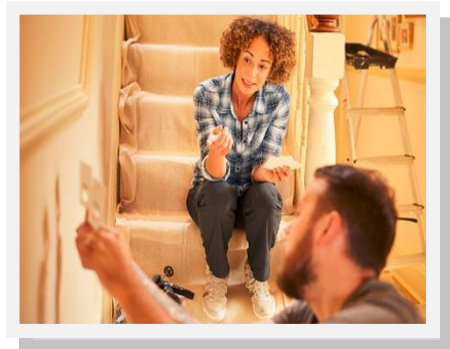
take part in any credit granting decision.

To ensure that you get the credit you deserve and avoid mix-ups, follow these few simple steps when applying for new credit:

- **Always use the same name.** You should not omit your middle initial, use an initial instead of your first name, or use a nickname.
- **Always provide your Social Security number when applying for credit.** This helps prevent your credit information from being mixed up with other consumers in the United States with the same name.
- **Always list your address and your previous addresses for the past five years.**

It is advisable that you review your credit report every three or four years to check for inaccuracies or omissions. You may want to check your report sooner if you are considering a major purchase, such as buying a home. Most credit grantors report their data to credit bureaus at least monthly.





You should also be aware that when negative information in your report is accurate, only the passage of time can assure its removal. Credit reporting agencies are permitted by law to report bankruptcies for 10 years and other negative information for 7 years.

### Correcting Errors on your Credit Report

You have the right, under the Fair Credit Reporting Act, to dispute the completeness and accuracy of information in your credit file. When a credit reporting agency receives a dispute, it must investigate and record the current status of the disputed items within a "reasonable period of time", unless it believes the dispute is frivolous or irrelevant. You must make your dispute directly to the credit reporting agency. Although it's not required, it's recommended that you submit your dispute in writing, along with copies of documents that support your dispute.

If the credit reporting agency cannot verify a disputed item, it must delete it. If your report contains erroneous information, the credit reporting agency must correct it.

There are some things credit bureaus do not do, such as the few listed below:

- A credit bureau does not decide whether you should be given a loan. It collects, stores, and reports the relevant identifying and credit information of credit – active citizens. Using this information, credit grantors alone decide what standards you must meet to be granted credit.

## Fair Credit Reporting *continued from page 3*

- A credit bureau doesn't know the specific reasons why you are given or denied credit, nor do they track the decision a credit grantor makes after ordering a credit report favorable or not.
- A credit bureau doesn't collect information unrelated to your credit repayment performance.
- A credit bureau does not allow everyone to see your credit report. Federal law restricts who may see a copy of your credit report.

### Benefits of Consumer Credit Reporting

If there were no automated credit information services, it would be much harder and time consuming to apply for credit. Because of an automated credit reporting system, you have unlimited options in your life. For example, you can:

- Negotiate a deal for a new car and drive it off the lot within a few hours;
- Purchase a home in one area of the country based on the good credit record you established while living in another part of the country;
- Shop for and be offered financial services from institutions in other regions of the country;
- Use a credit card to rent a video or travel to a favorite vacation destination;
- Pay for emergency medical treatment;
- Catch an airplane at the last minute; and
- Obtain instant credit.

All of these opportunities are possible because an automated credit reporting system works quietly in the background on your behalf. In addition, automated credit reporting helps credit grantors make fair, accurate, consistent and objective credit decisions.

### You have the right to a free credit report every year.

In 2003, the Fair and Accurate Credit Transactions Act gave all consumers the right to an annual free credit report from each company who maintains your credit records. You can order your annual report from the three major credit bureaus-Equifax, Experian, and Trans Union, the special website, AnnualCreditReport.com. The FCRA promotes the accuracy and privacy of information in the files of the nation's credit reporting companies. The Federal Trade Commission (FTC), the nation's consumer protection agency, enforces the FCRA with respect to credit reporting companies.

There are additional circumstances where you are also entitled to a free copy of your credit report:

- If you have been denied an application for a product or service based on information in your credit report (Must be requested within 60 days of denial notice);
- You are unemployed and you are beginning a job search;
- You receive welfare or government assistance; and
- You have been a victim of fraud or identity theft.

For additional information regarding credit bureaus and credit reporting visit The Federal Trade Commission's website @ <https://www.consumer.ftc.gov/articles/0151-disputing-errors-credit-reports>, or <https://thebalance.com/your-rights-with-credit-reports-960172>



## Loan Intimidation Scams

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Finally, regardless of the intimidation and threats made by the caller, never agree to or send any money to them without first validating the debt is even owed. In the past, the caller would often have the vic-tim of the loan intimidation scam use a wire transfer service to send the funds. As of late, they may ask the funds to be load-ed to a reloadable, pre-paid card, or else they may simply ask you to provide your bank account information. Again, don't send any money until verifying the debt is even owed.



Should you become a victim of this type of scam, the first thing you need to do is contact your local law enforcement offi-cials to make them aware of the situation. You can also register a formal complaint with the Federal Trade Commission, or FTC at:

<https://www.ftccomplaintassistant.gov/#&panel1-1>, or you can file a complaint with this Department at: <https://first.tn.gov/Complaints/UI/Defaulta.aspx> and it will be forwarded to the appropri-ate agency, if it is determined to be outside of our regulatory authority.



<sup>1</sup> Consumer Financial Protection Bureau, or CFPB, Ask CFPB/Debt Collection FAQ from the CFPB web-site at: <http://www.consumerfinance.gov/askcfpb/1403/what-if-i-believe-i-do-not-owe-debt-or-i-want-proof-debt.html>

## America Saves Week

### February 27—March 4, 2017

It's not too soon to begin making plans to begin a personal savings program, if you're not already doing so. You can visit: <http://americasavesweek.org/> to learn how to get started towards a better financial future.

## Minding the Gaps: Household Financial Stability in the Southeast



How well are American households managing financially? Can they weather a sudden financial emergency without going into debt? Are they preparing for retirement? The Federal Reserve Board of Governors' 2015 Survey of Household Economics and Decision making (SHED), released in May 2016, provides answers to these and other important questions for different demographic and income groups.<sup>1</sup> This article link, published with permission from the Federal Reserve Bank of Atlanta-Nashville Branch, uses the data to examine the financial well-being of households across the Southeast in the aftermath of the Great Recession.<sup>2</sup> (The full article link: <https://www.frbatlanta.org/community-development/publications/>

## EITC Awareness Day

### 2017 Date TBA

So many Americans miss out on the Earned Income Tax Credit (EITC) that the IRS has a day dedicated to raising awareness. If you made \$53,267 or less last year, *you* might qualify. Use the [EITC Assistant interactive tool](#) to find out.