



MONEY SAVING TIPS FOR NEW PARENTS

Raising a Baby without Breaking the Bank



1-800-210-3481

www.ConsolidatedCredit.org

5701 West Sunrise Boulevard | Fort Lauderdale, FL 33313

Congratulations on taking this important step to learn about how to budget and save as you add a new member to your family. Consolidated Credit has been helping Americans across the country solve their debt and credit problems for over 25 years.

Our educational team has created over forty publications to help you improve your finances. Visit ConsolidatedCredit.org to access all our publications free of charge. You'll also find a range of financial education resources, including interactive courses, instructional videos, webinars, infographics, and more. Our mission is to provide all the tools you need to become debt-free and use money wisely, so you can plan for the future and build wealth.

If you're feeling overwhelmed by high-interest rate credit card debt, I encourage you to call **1-800-210-3481** to receive a free evaluation from a certified credit counselor. Together, you can find the best solution to pay off your debt and achieve financial stability.

I also invite you to share these resources with others you know who want to improve their finances. Consolidated Credit provides partnership programs, which can help groups, businesses and communities learn and grow together. If you're interested in learning more, please call us and we'll be happy to help you customize a program for your organization.

Sincerely,

A handwritten signature in black ink that reads "Gary S. Herman". The signature is written in a cursive, flowing style.

Gary S. Herman
President
Consolidated Credit

Money Saving Tips for New Parents

Tips for Raising a Baby Without Breaking the Bank!

Children are priceless gifts, but they're also expensive. The [U.S. Department of Agriculture](#) tells us raising a child to the age of 17 will cost the average middle-class family \$233,610. Add projected inflation and it skyrockets to \$284,570!

The first year of parenthood alone can be a shocker. Between diapers, formula, car seats, nursery furnishings, sitters, and clothes, you may wonder how you'll afford to raise your child to adulthood. The silver lining is that if you set a realistic budget and prioritize financial planning, you can survive the first few years of parenthood. The key is to find smart ways to spend and keep costs low.

Here are some money-saving strategies to help you navigate the first few years of your child's life.

Clothing

It's easy to go overboard when buying clothes for your newborn. What parent doesn't want to see their little one in the cutest clothes baby retailers offer? That said, keep in mind your baby may not wear these clothes more than once. Between spit up and growth spurts, you'll find you don't get your money's worth out of most items.

While your child deserves to look like a superstar, you don't have to overspend to achieve this. Here are a few savvy ways to buy quality clothes without going over your budget.

Shop Hand-Me-Downs

When it comes to baby clothes, new doesn't always mean better. Don't be shy about shopping secondhand and accepting hand-me-downs. Nowadays, you can find new and gently worn secondhand clothing online; gone are the days you had to walk into a physical

store to buy thrift items. For those who have no idea where to look, below are several suggestions. On these platforms, you can find quality secondhand gems at affordable prices.

- THREDUP
- OfferUp
- Poshmark
- Kidizen

Avoid Full-Price Items

Although it's tempting to buy on impulse, try to resist the urge. Often, you can get similar items for less if you shop clearance and sales sections. Seeing as time is of the essence for new parents and you may be too busy to keep track of sales, here are some key times to buy.

- **Quarterly end-of-season sales:** spring, summer, fall, winter
- **Holidays:** January sales, Easter, Memorial Day, 4th of July, Back to School, Labor Day, Black Friday, Small Business Saturday and Cyber Monday
- **Flash sales:** sign up to newsletters to receive notifications

When shopping sales, be careful not to fall into the trap of buying items just because they're inexpensive. Use comparison sites like Google Shopping or PriceGrabber to check the original price to see whether you're truly getting a bargain.

Mom Hack

If you can't buy clothes out of season, for whatever reason, first check Ebay™. They often have "New items With Tags" (NWT) from when someone else overbought for their child. I bought a new sized 3T bathing suit for \$4.00, which normally would cost around \$20.00 in-season. "Lots" refer to when several clothing items of the same size and season are grouped together. These often are the best buys per item for both new and used clothes on Ebay™.

– Theresa Rezentes, mother of Simone

Housing

Many couples think they need a bigger home when they have children, but trading up to a larger, more expensive home right away may be a mistake. A larger house payment can make some parenting choices, like deciding to be a stay-at-home parent, difficult. You also want to leave enough budget wiggle room for the many expenses that accompany a new baby. You can apply the same principle to buying a car. Unless your car is on its last leg, it may be better to wait.

Food

As you can imagine, growing babies need increasing amounts of food, and this can easily rack up your bills. According to the [USDA Economic Research Service](#), Americans spent an average of 9.7% of their disposable income on food in 2018. You, however, might spend less if you look for everyday cost-saving opportunities.



Breastfeed

Breastfeeding is considered the healthiest option for your child, and best of all, it's free. In fact, the [Office of the Surgeon General](#) tells us mothers who breastfeed can save between \$1,200–\$1,500 on infant formula in the first year alone.

Additionally, you could save money on doctor's bills since breast milk is proven to keep babies healthier. If you're tired at the thought of breastfeeding around the clock, get a breast pump to save the day. Thankfully, it shouldn't be on your bill as the Affordable Care Act (2010) requires most health insurance plans [cover the cost of breast pumps](#). Note that if you have a

grandfathered health plan, your service provider may not be required to cover that cost.

Saving on Formula

Not every mom can breastfeed, and some make the choice not to. If you fall into either category, it means you'll be going the formula route. Formula can be pricey. To save money, try:

- Signing up for formula coupons
- Using Ibotta for cashback rewards
- Finding coupons with the Honey browser extension
- Shopping at bulk discount stores
- Buying powder instead of ready-made
- Getting free samples
- Considering store brands
- Asking your doctor

Be careful about stocking up on formula, as it can take several tries to find a brand that works for your infant. Check whether you can return any unopened formula and keep your receipts.

DIY Baby Food

When your child is ready for solid food, ready-made baby meals can seem like the best option, however, making it yourself can be more economical, healthier and fun. The good thing about making baby food is that it doesn't take a long time. For instance, you can puree fruits and vegetables while making dinner. A timesaving suggestion is to make baby food in bulk, place it in containers, and then pop it in the freezer. If you make enough, it could be a month before you need to make another batch.

Not sure what to make? Not to worry! The U.S. Department of Agriculture provides helpful [resources](#) you can use. Before you know it, you'll be a pro baby food maker and have more money in your pockets.

Diapers

Until your baby is potty trained, you'll be going through diapers at the speed of light. This can be financially overwhelming for many families, considering 36% [struggle to provide diapers for their babies](#).

How can you reduce costs in the diapering department?

Disposable diapers have evolved, as they now have built-in breathable and waterproof covers. They also come in various designs, colors, patterns, and fabrics. Also note, how long they

last depends on usage, so it's better to have enough in rotation. Check recommendations for the brand you want to buy online to determine how many you need. Some cost saving options are 'going green' and looking for alternatives.



Going Green

While many parents today cringe at the thought of washing old-fashioned cloth diapers, the savings could make you reconsider. In terms of cost, you can spend anywhere from \$60-\$350 for an adjustable cloth diaper system that typically includes 6 diaper covers and 12 inserts. While this leads to a higher cost up front, you avoid the recurring weekly cost of purchasing disposable diapers.

Not only does this option help you save money, but you'll also be saving the environment considering in 2017, 3,340 tons of [diapers ended up in landfills](#).

Make Baby Wipes

The cost of wipes can seem insignificant, but it adds up over two or three years. To mitigate these costs, consider making

your own wipes. The ingredients are relatively inexpensive, and you don't have to be a DIY guru to do it. Key ingredients are:

- Thick paper towels
- Water
- Aloe vera
- Essential oils
- Baby soap

Making your own wipes could save you a noticeable amount of money in the long run. You'll also know exactly what's going on your baby's skin, which can be a relief for parents. You can find recipes and how-to videos online.

Try Store Brands

If you must use disposable diapers, consider store brands. Many parents find the cheaper store brands are just as reliable as their more expensive brand-name counterparts. You can also buy inexpensive inserts that will turn a regular diaper into a more absorbent nighttime version.

Sign Up for Subscriptions

If you sign up for a diaper subscription on Amazon, you could get up to 20 percent off. However, you need to have an Amazon Prime subscription before you can qualify. Make sure you pay attention to the annual subscription fee before signing up; it costs \$155.88/year if you pay monthly, but only \$119/year if you pay the full fee upfront.

That said, if you don't use Amazon regularly, signing up may not be the most cost-effective option. Instead, consider a diaper subscription like Made Of and you'll also get free delivery. Make sure to do the math to be sure the subscription doesn't cost more than buying diapers at your own pace.

Look into Non-Profits

At times, nonprofit organizations give free diapers to low-income parents. Organizations may also have a stash of samples they're willing to part ways with. Some specific places you may find free diapers are:

- National Diaper Bank Network
- Doctor's Office
- Samples from diaper companies
- Local churches
- Salvation Army

The online platform [Need Help Paying Bills](#) can also point you towards organizations across states who help with diapers. Some give out additional items like baby gadgets, toys, and formula. Remember, every little bit counts and there's no shame in asking for help.

Mom Hack

When my daughter was first born, I used to buy Pampers because it's a popular household brand. I would spend about \$40 for a pack of 140 diapers and go through almost two boxes a month. A friend advised me to try cloth diapers as they would reduce costs and I wouldn't have to worry about running out. I ended up buying two six-pack systems for \$120 at Walmart and honestly, it was one of the best decisions. I've saved over \$800 in a year and the cherry on top is I'm helping the environment too.

– Karen Huenefeldt, mother of Grace and Jackson

Childcare

Daycare costs can easily top a year of public university tuition. The U.S. Department of Health and Human Services

recommends not spending over 7% of total household income on childcare. Currently, families spend approximately \$250 per week, which equates to about 10% of the average family income! Despite high costs, parents are finding ways to make it work and we've listed a few solutions below.



Unconventional Babysitting

If you're not lucky enough to have family members jumping at the chance to watch your child, consider making friends with other parents who would like to swap sitting duties with you. Check out the *Smart Mom's Baby-Sitting Co-Op Handbook: How We Solved the Baby-Sitter Puzzle* by Gary Myers for details on how to start a babysitting cooperative. Other affordable options include getting an au pair or trying a nanny share arrangement.

Flexible Work Arrangements

Some parents find that by the time they factor in the cost of daycare, it's cheaper for one parent to stay home full-time. Others choose to start their own daycare to bring in extra income. Another option may be to scale down to part-time work or ask your employer for flexible work arrangements. Finally, if your partner works during the day or is free during weekends, consider a weekend or evening job to reduce childcare costs.

Non-Traditional Options

Center-based [childcare for an infant](#) costs an average of \$1,230 a month. If that's not in your budget, consider an in-home daycare or non-profit establishments. They often have lower overhead costs, thus lower fees. Don't be afraid to ask childcare providers if they offer sliding scale fees (income-based rates) or sibling discounts, as sometimes they don't advertise these cost-saving options.

Note that some employers have childcare networking programs, meaning you could get better rates if you use a provider within their network. For those super parents who are raising kids while attending school, check if your college or university has a subsidy childcare program for students.

Government Resources

There are government initiatives that can make paying for childcare easier whether you earn a low income or earn too much to get help. To qualify for most programs, you need a job (part-time or full-time) among other requirements. Some common resources include:

- [Child Tax Credit](#)
- [Child and Dependent Care Tax Credits](#)
- [Dependent Care \(FSA\)](#)
- [State-run Childcare Subsidy Program](#)
- [Earned Income Tax Credit](#)
- [Head Start and Early Head Start](#)
- [Military Fee Assistance Programs](#)

[Child Care Resource and Referral \(CCR&R\)](#) is also a useful resource. They can help you find quality childcare, explore creative solutions to cover costs, and provide financial assistance options to those who are financially limited. Making use of any resources you qualify for could save your family money and give your child a competitive advantage in life.

Baby Gear

Open any baby catalog and you'll find all kinds of gadgets promising to make your baby happier and smarter, and parenting easier. While some items may be useful, others probably won't get used at all.

To save money, try before you buy. If a friend recommends an item he/she has used, ask if you can borrow it for a few days before you buy. You may even find some of your friends with children have gadgets they no longer need and are willing to give you.

If you're open to buying used items, you can find quality items like strollers, cribs, or carriers on some of these platforms:

- Mercari
- Good Buy Gear
- Swap.com
- WEEPEA

Mom Hack

I would say that about 50% of the non-essential things I bought for my daughter the first year were a waste of money: the baby sling that she hated and killed my back; the changing table we never used, the baby wipe warmer we didn't use; the sunsuit that was supposed to protect her from harmful UV rays (she wore maybe once); and the list goes on. Keep it simple.

– Gerri Detweiler, mother of Sydney

Toys

Almost any experienced parent will tell you, the more expensive the toy, the less likely their child is to play with it! While you may feel you're shortchanging your baby if you don't buy the latest toys, the truth is your child can do just fine with less – especially until they get older and start wanting what everyone else has. Try these suggestions to save...

Toy Sharing

Something parents often notice about kids is that they love playing with other children's toys. It could be because they're

different from what they see at home every day. Toy sharing is an excellent way to rescue your child from the boredom of their toys and save you money. Try using Toycycle, a platform that connects you with local families you can exchange free used toys with or borrow. You can also take your little one to a [toy library](#) if you can find one nearby.

Alternatively, suggest toy sharing to neighbors with kids or mom group members. Don't forget garage sales and thrift stores are full of lonely toys waiting for your baby to play with them!

Toy Subscription

If you are adamant about your kids having a regular supply of new toys, you may want to consider a subscription service. Subscriptions make it possible to have specific toys delivered to you every month and stick to a budget.

Depending on how frequently you have them delivered, it could cost anywhere from \$15-\$40/month. Some common toy subscriptions:

- CrateJoy
- Raddish
- Green Pinata Toys
- Toy Library
- Little Passports

Getting a box of educational toys for \$20 may be less expensive than going on a toy buying spree every month. However, if you don't plan on buying new toys monthly, perhaps skip out on the subscription or see if they have a quarterly subscription.

Mom Hack

Don't buy books or videos, borrow them from the library. If your library doesn't carry them, check with friends or start a mommy-group

'library' so you can all share the expense and the books. Most parents only need certain books for a short period.

– Deb Thornton, mother of Faith and Allison

Budgeting

The best thing new parents can do is financial planning. Children come with many financial surprises, so be prepared. Creating a realistic budget that incorporates savings will ensure you can cover any unexpected expenses. Here are a few budgeting apps that can help you track your spending and manage money as a new parent:



- EveryDollar (Free + paid version \$99/year)
- Mint (Free)
- Wally (Free)
- You Need a Budget (\$7/month fee)

If your debts become increasingly difficult to manage, Consolidated Credit can help you with a free consultation, budgeting advice, and a repayment plan. Call our counselors at **1-800-210-3481** for a free consultation.



About Consolidated Credit

Consolidated Credit is a consumer oriented, public education organization. We are an industry leader in providing credit counseling and debt management services throughout the United States.

Our mission is to assist individuals and families end financial crises and help them solve money management problems through education, motivation, and professional counseling.

We are dedicated to empowering consumers through educational programs that will influence them to refrain from overspending and abusing credit cards, as well as to encourage them to save and invest. We sponsor local free seminars that are also available to any group or organization that requests our educational services.

Our professionally trained counselors have assisted thousands of families across the United States. Regardless of whether your financial problems are due to the purchase of a new home, birth of a child, major illness, or any other circumstance, we can help.

Our organization is funded primarily through voluntary contributions from participating creditors. Our programs are designed to save our clients money and liquidate debts at an excellent rate.

Consolidated Credit is a member of the Better Business Bureau, the National Association of Credit Union, United Way of Broward County and Financial Counseling Association of America.

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