

# **Enhanced Economic Management Skills**

## ***Moving Beyond Survival To Sustainability!***

### **Automobile Purchase & Maintenance Expenses:**

Regardless which vehicle you purchase, (GM, Ford, Toyota, Honda), it will be your second most costly item. In most cases people dread this purchase as it 'bites' into their savings for future goals considerably.

In most parts of North America, because of the vastness of the territory traveled, owning a new, reliable vehicle is a mandatory. But, owning it doesn't need to 'break the bank.' There are ways of saving money if stewardship management skills are accepted and prudently followed!

#### **1. Be honest regarding your need for an automobile.**

Not everyone needs to own a vehicle. The decision is a personal one which should be made contingent on:

- a) the age of the person
- b) the ability to purchase and maintain the vehicle through his/her own resources
- c) the cost of the insurance premium
- d) the area in which the one lives (city, or suburb)
- e) the accessibility to Transit, be it bus service, light rapid service, or trams
- f) the type of work one does (factory, office, hospital, versus sales, equipment maintenance, consulting, etc.)
- g) the hours of work (regular day shift, swing shift, split shift or constant graveyard shift) which may influence the availability of other transportation.
- h) the distance traveled for shopping, church, education and other socially interactive events.

There is no shame in not owning a vehicle; you are no less human, and you are no less important! The choice is yours; make it based on personal needs and abilities.

#### **2. Purchase your vehicle instead of leasing it, unless you are operating a business and you need the tax benefits.**

Besides the fact that ownership most often enhances one's care for it, ownership also give one control as to how and when he can use it. Consider the following possible problems that may be incurred when one leases a vehicle

- a) leasing is usually more expensive than purchasing
- b) leasing usually includes a 'limited milage usage clause' (15,000

KM yearly), with a costly surcharge if one goes beyond it

c) leasing usually adds a 'customer vehicle maintenance clause' which obligates the client into regular vehicle maintenance costs which he would not necessarily incur had he purchased the vehicle

d) leasing always includes a 'final purchase payout clause' which may be as high as a quarter of the original price of the vehicle despite the fact that the client may have already paid more than the vehicle's actual assessed worth with his lease payments.

e) leasing contracts often have 'buried within them' a 'lease continuation clause' which 'ropes' the client into an extension of the present lease without having to sign a new contract. There is little probability that the client can break the contract without proceeding with a court challenge.

Consider Scott Hannah's article, "Pros and Cons of Leasing Cars Versus Buying" from The Province, Monday September 21st, 2009.

**Question:** I'm going broke keeping my old car running. I need a new one - should I lease or purchase a newer one?

**Answer:** Before leaving your driveway in search of another car to lease or to buy, determine honestly what you can afford each month. Start by looking at your income, and existing monthly and seasonal expenditures. Over and above your lease payments, you need to consider the expenses, more than just your fuel and insurance. While you won't need to spend money on maintenance each month with a new vehicle, you need to know what you're obligated to pay, and how often! Setting aside monthly for those expenses is a wise decision and will be a lot easier than paying a large bill later on. A few things to keep in mind as you do your shopping!

- read and understand all the fine print on all agreements
- zero percent interest on a loan means you usually will have a lump sum owing at the end of the contract
- leases have an 'end purchase clause'; although your costs are low during the lease, you do not own the vehicle until you pay the remaining required balance
- leasing is just a different term for renting, at the end of the term you either give it back to the dealer or you buy it out
- it's easier to sell a car - even with a loan against it - than to find someone who will assume your lease if circumstances change.

### **3. Purchase your automobile as transportation.**

We'd all like to have a brand new Lincoln, Cadillac, BMW or Rolls Royce parked in our front yard. But, such is not the case, and from a pragmatic

view, it shouldn't be expected!

Although car sales agents take great pains to 'push' the vehicle's aesthetics and amenities as significant reason for purchasing it, we all know that a vehicle's primary purpose is transportation. Therefore, when purchasing a vehicle ensure that it is mechanically 'sound' and that it will provide comfortable and reliable transportation with minimal repairs.

#### **4. Purchase your automobile within your financial means!**

Regardless how kind, generous, and encouraging the sales agent is during negotiating the purchase of a vehicle, (used or new), remember that the up coming payment(s) will be coming from your pocket. Therefore, before finalizing the deal, ask yourself, "do I have adequate resources to make the required down payment, along with the upcoming monthly payments, or should I consider purchasing a vehicle for less so I won't be financially pressured?"

As a further consideration, remember that certain vehicles such as SUV's, convertibles, sports cars, and larger pick ups are usually more expensive than sedans and vans of the same year. Whatever you purchase, let godly stewardship be your guide and choose a moderately priced, compact vehicle which will give you efficient transportation for years to come. You won't necessarily be enjoying the glitter and the glamour of the expensive, luxury vehicle, but, against this, you won't be scraping for finances to pay the ever present debt! The latter, in my opinion, is a more sane decision. And, in making the decision to buy, don't only consider its immediate costs. Also ask yourself this important second question, "will I have adequate, added needed resources to cover insurance(s) and the expected and unexpected upkeep it may demand?" Unless these are firmly in place, the newly obtained vehicle will be of no measurable benefit beyond being an addition to the 'stuff' you already own!

Reflective consideration on the opinions others who may have already purchased the same or similar model of car might be of immense help when deciding what model of a vehicle you should buy.

Years ago, for example, when I purchased my Datsun 510, other owners complained of clutch plate slippage; needless to say, my car had the same problem. Presently, as we are all aware because of recent news reports, Toyotas have problems with sticking gas pedals, poor braking, and steering. Many, who have purchased expensive Cadillac SUV's have encountered an added 'luxury purchase tax' that they didn't expect.

Along with considering the opinions of others, don't neglect examining the monthly Consumer Report Vehicle Evaluation Guide which also could safeguard you against a problematic purchase if you graciously accept

and heed the advice it provides.

**5. Purchase the vehicle suitable for your REALISTIC personal needs.**

There are countless reasons why individuals purchase a vehicle. Some do so because of an unwavering confidence in the product, some because of the prestige it offers, and some because of the equity it will hold in later years.

Regardless how commendable these are, ensure that the vehicle considered provides affordable, reliable and comfortable transportation along with meeting the specific needs of your family as related to holiday travel, sports activities, etc. A couple may need only a two door coupe, a family of four may need a four door sedan, while a family of six or seven, may well need a small or mid-size van. Consult every member of your family well before you make that final decision; you don't want to be disappointed with the 'dream vehicle' you've been anxiously desiring to purchase!

**6. Regardless from where you purchase your vehicle, (new or used), NEVER pay for until it has been thoroughly inspected by a second, independent, mechanic.**

The glistening, metallic finish may entice you to believe that the vehicle in question is flawless both structurally and mechanically. But, stories that have been told quickly reveal the unreliability of the appearance or engine sound as being reliable measuring rods for its true value.

Such being the case, it is highly recommended, that before a deposit is placed on the vehicle, you write down the VIN#, (usually on the left hand side of the dash directly under the windshield), and phone ICBC (or the Provincial/State Registration of Vehicles) to ascertain whether or not the vehicle has been involved in major accident. Once done, take it to a local body shop and have it examined for structural damage. If the two aforementioned inspections demonstrate that the vehicle is in impeccable condition, ask BCAA to do a thorough mechanical appraisal of it.

These evaluations may cost one hundred or two hundred dollars, but it is more profitable to pay this and know for **CERTAIN** if the purchase is a good decision. If it isn't, you spent very little, and avoided possible future problems.

Two matters of concern for you should be:

Firstly, if the dealership hesitates, in the slightest regarding your desire for a vehicle inspection your only recourse is to **END THE NEGOTIATIONS IMMEDIATELY**. A verbal promise that the vehicle is in good condition is not sufficient. Remember, once the vehicle leaves the dealer's premises, the problems and possible repair costs become yours, alone!

Secondly, if the dealership promises you that its own mechanics will do a second appraisal for you so that you might save cash, your only recourse,

again, is to END THE NEGOTIATIONS. Your not asking for a second opinion because you don't trust them, your asking for it to affirm that nothing 'hidden' is not being reported.

As a sidebar, if the vehicle under consideration has noticeable window cracks, and/or noticeable damaged window 'ribbing', don't purchase it. Vehicles with ribbing damage have an eighty-five percent probability of leakage, and the cost to repair it could be immense. Also, if the vehicle has immediate repairs needed costing over one hundred fifty dollars, abandon it; there are hundreds of better quality cars on the market; if you are patient, you will eventually find them!

A new vehicle should also be carefully scrutinized; it, too, could have hidden, unwelcome mechanical problems that could be costly if they are ignored.

In February 2009 Donna and I purchased a brand new HHR XL. Within three days of owning it we began having braking problems. Being concerned, I took it to another dealer to have it checked out. Much to our surprise, because the car had been sitting for months, the calipers had seized. Immediately we returned to the dealer where we had purchased the car, and had all the brakes replaced. A month later we had further braking problems; the car shimmied whenever the brakes were applied. Again we immediately returned to the dealer and discovered that an assembler had forgotten to put water splash guards behind the rotor. The vehicle has been repaired, and we're enjoying driving it!

## **7. When purchasing a used vehicle, before signing the Agreement to Purchase, ensure that the province of origin is the same as the province of purchase.**

It's easy for vehicles to be transported from another part of Canada to BC., and sold without the client knowing its origin. Likewise, those that deal on the 'black market' may also sell vehicles without full disclosure as to their origin. Therefore, to protect yourself from criminal charges, exorbitant fines, and/or from having the vehicle seized, never purchase an out of province vehicle without checking and rechecking the validity of the registration paper with the Department of Motor Vehicles, in your province. If the vehicle is being purchased in the US and being registered in BC., check with the Canadian Border Services to ensure that it meets with CSA standards, that all duties and taxes are paid, and that all necessary documentation has been properly filed.

If the vehicle is being purchased in Alberta, and being registered in BC., check with Victoria to see what additional taxes, licenses, and/or fees need to be covered before the vehicle can become legally operable. If in

doubt, find out!

**8. When purchasing a new vehicle, don't purchase 'add-ons' such as UNDERCOATING, GLOSS WAXING, and/or TINTED WINDOWS.**

Remember - we've agreed earlier that we purchase vehicles for utility and for transportation, and not as a show piece!

If, perhaps, you opt out for one or two of the above, don't purchase them through the dealer; all the 'extras' he is offering brings an additional profit to the sale. Furthermore, these 'extras' will cost you more through the dealer than if you were to 'job' them out yourself at a local detailing shop.

In February 2000 we acquired our new Sunfire. Because the PDI had not yet be completed, we were informed that we would need to pick it up after the weekend. As we were walking towards the door, Paul, our sales man stopped me and said, "It's such a beautiful looking car, why don't you place a high gloss wax on it. Besides making it look good," he continued, it'll also extend the vehicles life." "Sounds great," I responded, "but how much will this cost?"

Stopping for a moment to think about it, he finally replied, "Since we made a mistake with other car you wanted, and since you've no trade in, we'll do the job complete with taxes in for one hundred seventy two dollars."

"Thanks, Paul," I responded, "I do the printing for Don at Golden Touch Detailing down the road, and I know that he can do the job for fifty-five dollars, all taxes in."

The following Tuesday, as I had promised Paul, I took the Sunfire to Golden Touch for the waxing. As I was getting into the vehicle to drive home, Don asked, "By the way, where did you purchase it?" "Oh," I responded, "we found it at Ed Thiessen Motors on Scott Road."

As if he had forgot himself, Don said, "We do all the work for them at exactly same price, I wonder why they didn't bring it in."

If what Don was saying were true, the dealership would have made approximately one hundred twenty dollars just for driving the car eighteen kilometres.

Another possible, extended problem with purchasing the above through the dealer is that the warranty will rest with the dealer, and not with you. Should you be discontent with product or workmanship, the dealer, **AND NOT YOU**, has first option whether or not to 'press' the provider for needed repairs.

With regards to undercoating a new vehicle, it is significant that most vehicle handbooks caution against it because of updated international manufacturing standards which stipulate that the manufacturer must do this before it leaves the yard. If the manufacturer has already coated the drive

train, why would you want to spend money doing it the second time? Of course, the dealership won't inform you of this; profit is their aim!

**9. Don't purchase expensive 'trinkets' for your vehicle.**

'Trinkets' include such things as chromies, hub spinners, sun roofs, tinted windows, embroidered seat covers, flashy spare tire covers, and/or car decals. All of these enhance the vehicle's looks and get you the 'second glance' as you pass by, but they're usually **EXTREMELY EXPENSIVE**, and they don't add to the vehicle's prime purpose, that being, providing transportation.

During a recent seminar in Mt. Vernon, Washington a twenty-four year high school teacher told me he had just purchased 'chromies' for his 1961 Toronado at a price of four hundred eighty dollars each.

Upon asking him what motivated him to spend the money on these, he replied, "man, you're only young once; it's time to enjoy the good things of life!"

Later, as he attempted to impress me with his car by taking me for a spin in it, I asked him, "So who do you think is profiting from the purchase, you or the tire company."

For about five minutes he said nothing, then very upset he shouted, "Look man, they may have the money, but I've got the enjoyment!" Knowing that no further comment would be of any benefit, I thought to myself, as we returned to the church lot, "Yeah, man, enjoyment is great to have, but retaining cash in my bank account so that I don't fall behind with my obligations has always been my better choice!"

**10. Shun all EXTENDED WARRANTY OFFERS!**

Extended warranties are nothing more than an add on insurance policy which, when sold by a dealership, adds profit to the product. They are not needed, so don't give into the pressure. To start with, most new vehicles come with a five year bumper to bumper warranty and with a ten year drive train warranty from the factory. Secondly, companies providing coverage for extended warranties rarely provide pay outs for claims submitted because of the numerous exclusion clauses buried deep with the contract. In reality, then, you are providing your dealership with a bonus or tip if you purchase it. Whenever an extended warranty is offered, don't purchase the product. If the sales rep hasn't got confidence that the product will last a reasonable, designated length of time, he won't be disappointed if you leave without buying it!

In November 1998 Donna and I purchased a thirty-six foot Discovery motorhome. Along with it, because of the numerous gadgets in the unit, and because of our over riding fear that the costs to repair them would be astronomical, we purchased a five year extended warranty

at the cost of two thousand four hundred dollars, (\$2400).

Three years later, while traveling south from Whitehorse, Yukon, the converter broke down. Out of necessity we got the unit fixed, and then submitted the bill for repayment. The claim was rejected; the reasons - "the motorhome shook while in travel!"

Just prior to the contract ending, we decided that we would submit a second claim for a major wiring problem. This claim, like the other, was also denied. The reason - "we had traveled too much at night, and had stressed the electrical wiring which apparently caused a major circuit failure."

## **11. When purchasing a new car, check out all MANUFACTURER'S PURCHASING INCENTIVES, and don't overlook CANADIAN FEDERAL TAX DISCOUNTS**

When we purchased our HHR, the lot list price was twenty-four thousand dollars, (24,999) plus GST of five percent (5%) and PST of seven percent, (7%) bringing the total cost to twenty-seven thousand nine hundred eighty-eight dollars, (\$27,988). In our negotiations we discovered that General Motors was offering an five thousand dollars, (\$5,000) purchase incentive and Canada offered a one thousand dollars, (1,000) federal tax discount on all vehicles purchased before April 2009. Along with these two offers, General Motors included two Olympic 2010 tickets at one hundred fifty each (\$150). In total we saved six thousand three hundred dollars (\$6300) which brought the total final cost to twenty-one thousand six hundred eighty-eight dollars (\$21,688) an amount we could realistically afford.

Be attentive to news that certain dealers are closing down because of tough economic conditions. Often, such distress sales afford the purchaser to obtain new, or a high quality used car, at a greater discount. Regardless from whom you purchase your next vehicle, arrive with a fixed amount your willing to spend in your mind, and resist any upselling to a higher priced vehicle. Don't forget that, despite negotiating with one dealership, you are free to 'check around' to see if you can find better pricing elsewhere. You have no obligation to any dealer until you sign the Agreement For Purchase documents!

## **12. Remember, when you purchase a vehicle PRIVATELY you don't pay GST.**

An important saving which keeps money in your pocket, at least for now! Perhaps with the impementation of the HST in BC, this will change. However, for the next four or five months, grab the benefit, keep the money in your pocket, or spend it wisely on something you've been waiting for!



**13. Extend the vehicle's life and utility by KEEPING IT CLEAN, and by DOING PREVENTIVE MAINTENANCE. And, don't forget the OIL CHANGE!**

It is common knowledge that within two to three years of purchase, the glitter of the vehicle tarnishes. But, if the owner circumspectly cares for the vehicle by regularly washing and waxing it, by vacuuming it, and by attending to bi-monthly mechanical maintenance, it should last no less than ten to fifteen years.

Each newly purchased vehicle comes with an owner's manual which delineates periodic inspection dates. These are not added, as many think, to fleece more money out of the client. They are added so that mechanical deficiencies or problem areas can be caught early and repaired. A prudent operator will keep his scheduled appointments, and immediately repair problems when necessary. Failure to do so usually compounds the problem and will cost considerably more!

You can save on vehicle expenses by doing the following:

- a) washing the car instead of taking it to a car wash
- b) purchasing fuel at the Real Canadian Superstore instead of other service centres. With each fill the price is usually lower, and you always get five percent per litre purchased discount coupons which can be applied against later grocery purchases
- c) purchasing oil, windshield fluid, windshield wipers from Wal-Mart, Zellers, Canadian Tire, etc. instead of purchasing them at a local gas bar. The savings could be between fifty to sixty percent
- d) prohibiting others to drive your vehicle. Everyone has different driver temperaments. Racing the engine, starting off forcefully, braking erratically and/or dragging the clutch creates unneeded mechanical problems and adds undesired expenses. If you insist on being the sole driver of the vehicle, you will guard yourself against many of the problems and expenses others might create.
- e) guard against free brake and/or free muffler inspections; these are nothing more than a drag net to get you into the store for repairs. If you're concerned about your vehicle's brakes, check them yourself. It's easy; all you need to do is remove the wheels, loosen the pad screws, and check the thickness of the pads. If they are more than a quarter inch thick, your front brakes are good. For the back brakes, remove the wheels, remove the wheel hub, and check the brakes. If these are more than an eighth of an inch thick they are also still good. On most front engine driven cars the front brakes will wear out faster than the back brakes.

Under most circumstances the calipers and the rotors do not need to be changed yearly; examine them, and if they need to be changed purchase them from Lordco or Canadian Tire and replace them yourself. Shop brake repairs (front alone) can cost up to two

hundred sixty dollars; you can do the same job for less than eighty-five if you try!

f) disallowing your car to be used as a 'service vehicle' by providing a battery jump. Today's vehicles are radically more sensitive than previous makes. All new vehicles contain intricate electrical computer systems that are comprised of diodes. Any misdirected electrical surcharge, of the slightest amount, could cause considerable damage to the electronic ignition or the computer controller board. To replace either or both of these components could cost hundreds of dollars with which you really do not want to part.

A recent pricing of an electronic ignition with coil (not including the needed 'hot wire' between ignition and coil) was two hundred eighty-three dollars American. This price does not include shipping costs, brokerage fees, customs clearance, or GST and PST. It should be noted that once purchased the electronic ignition carries no warranty.

The kindest act you can do when someone asks for mechanical aid is phone BCAA, CAA or some other emergency road side provider. The risk of using your own vehicle to help them is **TOO GREAT** and **TOO EXPENSIVE!**

g) not patronizing larger service centres; they're work is 'book rated,' and because of this, there is little probability of saving on repairs. Check out a local, smaller shop that others recommend and have your vehicle serviced there. If you're faithful in patronizing the shop, you never know what discounts you might receive!

h) Never allow anyone to do repairs on your vehicle without providing you a written detailed estimate of the total repair, including sublet costs. Ensure that the service bureau contacts you if added work is needed. If, for some reason, the repair shop completes work without your written permission, refuse to pay the extra charge; you have legal rights in BC which protects you against this!

l) not dealing with mechanical agents who will not provide at least a ninety day warranty on the work completed. Simply put, you're paying good money for his work; you don't want to pay for it again if there is a reoccurrence of the problem within a month or two!

#### **14, Keep an up-to-date, running repair log of your vehicle**

Know the problems you've had with your vehicle, when it was fixed, what was done to repair it, and the costs incurred. By keeping records, you will avoid later diagnostic costs should a similar problem reoccur. In addition, by maintaining this log, you are able to return to the original mechanic, provide him the date he last fixed the problem, and have it repaired at no

additional costs. Without the 'log' everything becomes guess work; with it and your receipts in hand, there is little room for the mechanic to dispute his obligation to revisit the problem.

<h2>Vehicle Repair Log</h2>		
Vehicle: _____	Vehicle Year: _____	Vehicle Licence #: _____
Date Of Repair: _____	Odometer Reading: _____	
Problem Diagnosed: _____		
Problem Fixed: _____		
Repair Shop: _____	Cost: \$ _____	Receipt # _____

In February 2008 the engine light on my Sunfire came on. The mechanic, with an addition seventy-five dollar charge, electronically diagnosed that the problem was a faulty catalytic converter. Knowing that I would not pass an upcoming Air Care test, I spent an additional four hundred thirty-eight dollars to have it repaired.

Just over a year later the problem reoccurred. Immediately, along with my vehicle repair log, I took the car back to the repair shop.

Within an hour the problem was solved by the shop mechanic placing a new catalytic converter on the car.

As he handed me the keys he said, "You look as if you manage your affairs well; very few ever show up with the documentation you have in hand!"

### 15. Always carry a 'road side assist' package for your vehicle(s)

One never knows when he/she might have a vehicle breakdown. The cost of a road side repair, or a lengthy tow to the nearest repair shop, could be cumbersome. To avoid this dilemma, purchase, from BCAA, AAA, or Explorer Club, a full year 'road side assist package' that covers all the vehicles you own.

Most of these 'packages' can be purchased when you have a break down, but if you're prudent you'll have the coverage in place before you leave home!

Carry your Club Card in the **CAR** and not in your **WALLET**; the coverage is for the car, not the driver! If you cannot produce the card when the 'road side assist' arrives, you'll pay the costs!

All new General Motors products come with a one year free OnStar road side assist package. After the free year has expired, the monthly cost for the service is twenty-four dollars per month or four hundred ninety dollars per year. As I see it, this charge is unconscionably high, and I recommend

that you don't renew your OnStar plan. Explorer Club, which offers exactly the same service, costs one hundred forty dollars to cover three vehicles; a far better return on the money paid, so go for it! Be sure that if you need to use your 'road side assist' that you phone the dispatcher first and gain approval for calling the service needed. If you don't, you will be personally invoiced for the service, and the charge will be high!

Donna and I are members of the Explorer Club. We have three vehicles and our thirty-six motorhome covered by the plan. Four years ago, while traveling through Trenton, Ontario we had a major fuel leak with our Discovery. It had to be towed to a Freightliner shop in Missasauga approximately two hundred fifty kilometers away. The total cost for the towing could have been over four hundred dollars; we saved all of this, and more, just because we remembered to purchase an emergency 'road side assist package' before leaving our home!

#### **16. Carry a tool kit in your car.**

Again, if you should have a break down, the problem might be minor enough that you could fix it. Suppose, for example, a radiator hose breaks; if you have a tool kit you could cut the hose, and reattach it with little difficulty. Similarly, if the car will not start because of corroded battery posts, with a tool case you will be able to clean them, and soon be on your way.

The tool kit should include a pair of regular and needle nose pliers, a set of imperial and metric socket wrenches, a complete set of screw drivers, a strong bristle brush, a sharp knife, black electrical tape, and a complete set of auto fuses. Should you have a minor break down, the kit will prove very helpful in getting you mobile again.

In July 2009 Donna and I went to Barnston Island to check out the water level of the Fraser River. Because the day was warm, we decided to park the car and go for a short walk. Upon returning to it, I discovered that we couldn't get it started because the battery posts had corroded considerably. Due to a lack of insight on my part, I forgot to put my tool kit in the car. Because of this oversight we wasted forty-five minutes waiting for the Explorer Club 'road side assist'. Had I placed my tool kit in the trunk, I could have easily rectified the problem and been home enjoying a coffee in the forty-five minutes I wasted!

When purchasing a kit, ensure that the tools carry a life time warranty and ensure that it includes both the metric and imperial sockets and wrenches. The All-In-One kit sold at Canadian Tire and at Sears should cost no more than forty-nine dollars and will prove to be an inexpensive

investment when compared to the cost you might be charged if you called for a tow truck.

When compiling your trunk tool kit, don't forget to throw in a quality set of jumper cables, an activated booster pack, a quality flashlight, and a 'help requested flag'. **Never leave home without your cellular fully charged;** it could save the day!

### **17. Carry spare parts for your car**

Although today's vehicles are more compacted than those of twenty or thirty years ago, they still have basically the same components such as tires, fan belts, batteries, windshield wiper, and fuses.

Some parts are bulky and expensive, and, therefore, they will not be regarded as essential spare parts. However, spare fuses, spare wind shield wipers, a quality, regular sized spare tire, and a spare battery should be regarded as nonnegotiable items. I stress carrying these for two reasons: firstly, by purchasing these now, instead of during an emergency, you're going to save the up-charge the service provider may add on, and secondly, by having these at hand, you're going to avoid considerable, wasted down time stranded at the roadside. Suppose your fan belt breaks; you, or your 'road side assist provider', if you should have a spare one in your trunk, will be able to put in on, and you'll be on your way.

### **18. Do basic auto repairs and oil changes yourself!**

No one is intrigued with doing automotive mechanical repairs; even some mechanics I know greatly detest having to crawl under wet and dirty cars to rectify problems. But, your vehicle is transportation by which you earn your 'daily bread', and when problems arise, they need to be fixed.

For smaller problems, and for oil changes, you have two recourses; take the vehicle to a service bureau or fix them yourself. If you own a detached single family dwelling, or if you live in a condo or town house that has an enclosed garage, fix attend to your automobile repairs yourself and save money.

Despite the fact that you're not a journey man mechanic, you can change a headlight, you can change windshield wipers, you can replace a battery, and you can change the oil, and then pocket the money you save! The average 'shop charge' for an oil change and lube is forty-five to sixty dollars; the total cost, if you do it yourself, will be no more than twelve to fifteen dollars. Why pay the extra? You need it more than they do, don't you?

In August 2009 I noticed that my 'oil status light' on the HHR indicated that the car needed an oil change, and so I took it to the dealership where I had purchased it. Upon going to pick the car up, after the oil change was completed, I was handed a bill for fifty-eight

dollars and thirty-seven cents. Needless to say, I was shocked by the bill; fortunately, however, the HHR came with a five year, no charge, lube and oil contract and so I didn't pay the costs.

**19. When doing auto repairs yourself, check if the detailed repair manual for your vehicle can be purchased 'on line'.**

Lack of confidence in repairing vehicles is often attributed to the inability of obtaining detailed directions as to how to complete the repair. This, however, can quickly be distilled by doing a Google or Yahoo search for the vehicle repair manual.

I want to repair the back brakes on my 1999 Sunfire. In the 'search line' I type "1999 Sunfire repair manual", and press enter.

Immediately over twenty thousand website choices will appear.

From the list I choose "Pontiac Sunfire Repair Questions and Answers" and, and when the site opens I type in the search box,

"rear drum brake repair directions". Within seconds I have the information I desire and can start doing the work and pocket a considerable amount of savings.

"But", you say, "I'm not mechanically inclined, and I wouldn't feel comfortable tackling the job."

That's OK; go on line, purchase the Alison, Chilton, or Haynes repair manual for your particular vehicle. The little you pay now could be the 'bridge' to great savings down the road. With the manual in hand, if your vehicle needs to be taken for repairs, at least you will have first hand knowledge as to what the technician should do and charge. This, if it does nothing more, will remove any overriding terror of the labour charges!

Donna and I own a 1981 Marquis station wagon that is in excellent condition both structurally and mechanically. A number of years ago we had a major gasket leak. At a shop in Surrey we were quoted six hundred seventy dollars plus taxes to replace this gasket. Because we have the Haynes repair manual for this car, I purchased the gasket for thirty-eight dollars and replaced it myself. The manual provided detailed step by step dismantling and reassembling instructions. Within two hours of starting the job, I had the vehicle back on the road. Sure, I got dirty, and somewhat distressed in doing the work, but the joy of pocketing the savings of six hundred thirty dollars quickly offset these!

If you live in the Vancouver Lower Mainland, often on CKNW, Bill Good hosts a show called, "The Back Yard Mechanic". Tune in to it and you'll get free advice as to how you might fix your vehicle, and/or recommendations of inexpensive, quality shops to which you can take the vehicle if you need repairs!

On line you might want to check out 'www.justanswer.com' which, if you

join, will provide you with fifty-seven mechanics to answer your vehicle related repair questions. It's free, so why not check it out?

For older car owners, (those dated earlier than 1985), the booklet, Motor Auto Problem Solver might be of help. It pinpoints ninety-seven car problem, tells the possible cause, and give approximately four hundred thirty-three remedies for the problems. I have it in my vehicle all the time, and I highly recommend it; it will sve you money!

## **20. When doing auto repairs yourself, purchase used auto parts from an auto wrecker, (ARA), if possible, before purchasing new parts from a dealership**

Within the Lower Mainland, and I'm sure within other parts of BC., auto wreckers are plenteous and easily found. Therefore, your first choice when needing replacement parts should be a call to one of them. There are a number of practical reasons for this:

- a) the parts are readily available
- b) the parts are standard model parts (not after market machined)
- c) the parts usually are guaranteed for no less than ninety days
- d) the parts, if you take them off the damaged car, are approximately fifty percent less than new parts; in some cases I have purchased parts for seventy percent less than new, dealership parts.
- e) service bureaus often purchase used parts from auto wreckers and then **ADD** an additional fifty to sixty 'up-charge' fee to the base price you would have paid **had you purchased the part yourself!**
- f) if you can't find the required used part in at a local auto wrecker, the 'yard' will 'broadcast is over the system', and then, when it is located, they will contact you. Your cost will remain the original 'yard charge' plus shipping. Your end charge will still be less than if you purchased it new!

Some months ago, while towing my Sunfire behind my motor home, I damaged the plastic front licence plate holder. Because the damage was so severe that it couldn't hold the licence plate, I immediately went to a local Pontiac dealership to purchase a new one. The quoted price was fifty-eight dollars plus GST and PST, with an addition fifteen dollar charge of labour for having it attached to my car.

Somewhat set back by the quote, I drove to a nearby auto wrecker, purchased the part for ten dollars, and then placed it on my car myself.

There are some auto parts that you **SHOULD NOT PURCHASE** from an auto wrecker. These include: radiators, electronic ignitions, catalytic converters, mufflers and/or resonators, gaskets of any type, and/or wiring harnesses. The reason, they could have problems that cannot be easily

detected, and despite the savings in costs, the time spent in putting these on only to discover that they, too, are defective, can be costly! Purchase these new; get the applicable warranties, save time and money!

## 21. **Save money on fuel - purchase bulk supplies & use points for cash**

Fuel prices are in constant flux within the lower mainland; some days you can save a buck, while on other days you spend a couple extra! Regardless of the pump price, there are ways of saving continuously, especially if you own a single family home with a detached garage. I've been doing it for years, putting the profits into traveling extra miles free.

So, what's the trick?

Purchase five or six CSA approved jerry cans (plastic preferred), and then make it a monthly practice to drive from the GVRD to Mission, Abbotsford or Chilliwack and fill these up at a saving of fifteen to eighteen cents per litre. If, during the month you need a tank or two extra, make a quick trip to Aldergrove and save between seven to twelve cents per litre. Your monthly savings will both astound and delight you!

Donna and I have five twenty litre jerry cans. Fuel, at the Husky station nearby rarely is under a dollar eight cents per litre. On the last Sunday of the month we place these our car for our after service trip to Mission where fuel is usually ninety-two cents per litre and fill them, as well as our car, with fuel. In purchasing approximately one hundred fifty litres we save fourteen dollars. Not much you say, but consider the savings over a year! Eventually we saved enough cash to pay for a fuel up on our motorhome and enjoy a week's vacation **FREE**. Not a bad deal when you think it through!

A second practice we've adopted is purchasing fuel at the Real Canadian Superstore gas bar. Again, we often get our fuel at a discount from regular service bars, but added to this, we also get another five cent per litre discount coupon usable towards grocery purchases. We need the fuel, and we need the groceries, but we don't want to pay full price for either. The solution is stopping at the Real Canadian Superstore whenever we're in the area. It pays great financial dividends; if you don't believe me, talk to Donna, my bookkeeper!

A third, extremely beneficial plan, to save money on fuel, is to exchange card points for cash. Just prior to our marriage, Donna and I applied for a Petro Points card by which we are able to receive items offered free. About two years ago, after we had collected all the 'gifts' we desired, we discovered that they accepted points for cash on fuel purchases. Not needing anything else, but wanting to dispense with our points, we purchased a tank of fuel, (costing forty dollars), by cashing in the points. Other service stations may allow the same; try it, you won't be disappointed!



## 22. Insure your vehicle intelligently!

Probably the easiest way to protect your investments, regardless how new or old they might be, is to carry insurance on them. However, sometimes, a person can over insure items. This is particularly applicable when one considers automobile insurance. The following suggestions might be of consideration and benefit:

a) never operate your vehicle without valid insurance.

Regardless how safe a driver you might think yourself to be, **NEVER**, under any circumstances, leave your yard without insurance. Accidents happen faster than you think, and if you're the cause of the accident, without insurance on your vehicle, you could be sued financially and this could set you back for years to come.

BC., in 1974, implemented compulsory vehicle insurance.

Driving without it carries a penalty of ten demerit points, and a fine of two hundred fifty dollars.

Even though you, personally, have adequate insurance on your vehicle, check with your insurance agent to see if there are any clauses, such as restricting drivers under twenty-five or individuals with physical disabilities, from operating your vehicle. If such exist, don't let them drive it!

b) If you purchase replacement insurance, insure for real value, not projected value

Vehicles are insured according to 'book' value or according to their market value. Therefore, insure your vehicle in light of this, instead of what you **THINK** the vehicle is worth, because, according to your insurance broker, that's what the payout will be should your vehicle become a write off no matter what sentimental value you place on it.

If you have restored an older vehicle, ensure that you have the vehicle's dollar worth **ESTABLISHED** by a certified appraiser who will provide notarized documentation to the insurance broker as to the real value as a vintage vehicle.

Insurance coverage for vintage vehicles has limitations. They may be driven only for the following purposes:

- 1) to and from a mechanic for repairs
- 2) for exhibition, for club activities and for other like functions
- 3) for wedding and for graduations
- 4) parades during festivals, bridge and highway openings, and/or designated government functions.

c) Insure your vehicle rationally

Know the appropriate insurance coverage to place on your vehicle. Not all vehicles need to carry the same insurance beyond third party public liability which is mandatory in most Canadian provinces. It is logical and prudent for a person might carry full collision, comprehensive, theft and fire coverage on a brand new purchase. But, to carry these on a ten or twelve year old car may be unwise financially, unless the vehicle has been appraised at a new car value. Even if an older vehicle is 'worthy of collision coverage', it might be wise to increase the deductible to lower the premium rate. The lower the deductible, the higher the premium and the greater the cost to the client.

d) never leave your vehicle parked uninsured.

Just because your vehicle is parked safely in your yard, this does not negate the necessity of having it adequately insured with **STORAGE** insurance. Monthly costs are low, but will save you considerably should vandalism, theft, fire, and/or window breakage occur, despite the **DEDUCTIBLE** you might pay!

Late one evening in September 2009 our Discovery motorhome was broken into by someone smashing the driver's side window. The 'take' was insignificant, but, because the windows is a 'floater window', the cost to replace it was estimated at one thousand six hundred and forty dollars.

Wisely we had purchased storage insurance on September 1st when we decided to park it. Our deductible was three hundred dollars. We had no alternative but to fix the window; our saving because of storage insurance was one thousand three hundred forty dollars. This amount is being placed on our next cruise vacation instead of going to a repair shop. You, too, can save money if you don't forget to constantly have insurance on your vehicle!

## 23. Protect your vehicle from theft!

It's already been mentioned that second to your home, your vehicle is probably is your most expensive purchase. Not only is it an expensive acquisition, it's a major factor in your being able to earn a living as it provides transportation to and from work daily! Therefore, it would be

most prudent to do everything plausible to protect it from theft. Generally, when one talks about protecting a vehicle from theft, they're thinking about purchasing a Club wheel lock, or an 'engine start deactivator'.

These may be helpful during daylight 'short stops', but, during the night, when the vehicle is parked at home, a better alternative might be to undo the positive battery cable so the vehicle cannot be started.

Don't put your complete trust in the Club; I've heard of situations where the steering wheel has been cut, the club slipped off, and the car stolen. It may be a deterrent, but it cannot not be considered as a prohibitive to theft.

Another proviso for protecting your car from theft is offering your car to the RCMP as a bait car. Within minutes of anyone tampering with the vehicle, the police will be on the scene; in most situations, if the car is moved, it will shut down within a block.

Years ago one of my neighbours had his SUV broken into four times within three months. He tried everything recommended to deter the thieves, but nothing worked. One day, while working at a body shop in Coquitlam, he decided he would hot wire bright lights to come on as soon as a person stepped into it after the alarm had been set. His plan worked; his vehicle was broken into only once after he made the change!

Other recommendations:

- Never park your vehicle on the street. Place two steel posts at the end corners of your driveway, (one post having a u-bolt into which one end of the chain is hitched, while the other post has a unframed slip hold through which the lock is placed), and then draw a heavy chain across it.
- Never park your vehicle out of an immediate observation range. Usually when a vehicle is stolen, some unusual, disruptive noise attends the act. If the vehicle is always visible from a window, in all probability you will be able to get a description of the person committing the act.
- Never leave a spare key attached to a vehicle in a magnetic spare key storage box. Thieves know about these devices, and if it's affixed to the vehicle they'll quickly find it. Within seconds your vehicle will be gone, thanks to you!
- Never leave a vehicle parked in the same spot for more than three or four days. Thieves, upon seeing a vehicle unmoved for a lengthy period of time, often suspect that the owner is away, and make opportunity to borrow it permanently. If the vehicle is not being used, place it in storage, or park it in a place where a thief would have a very difficult time moving it!
- Never leave anything of value visible within the vehicle even if it is

parked for a short time. Although small things such as CD's, books, make up bags, may not have any real significance or value to you, thieves, upon seeing them, immediately suspect that there are also other things of greater value for the taking within the vehicle, and break into it. They may not steal anything, but, by breaking into it, they could do extensive damage that could cost you three hundred dollars on a comprehensive claim.

Remember, your time and your energy has gone into purchasing the vehicle. Don't waste either by giving thieves the slightest reason to break in. Simply put, don't provoke them to **make your business their business** by appreciating your unprotected valuables!