

The REALity List

Ten Things Every Consumer Should Know About Money

- ❑ **Be REAListic** — About your spending habits, your bills and what things realistically cost. Strive to spend less than you earn.
- ❑ **Pay Yourself First** — Realize the benefit of saving money and the power of compounding. Set aside some money for savings from every paycheck. Never have any extra money? Start saving and you will!
- ❑ **Understand Credit** — Credit can be a useful tool, or it can be a trap into a downward spiral of debt. Use credit wisely.
- ❑ **Have a Spending Plan** — Create a realistic spending plan (budget) and stick to it. Monitor expenditures to reduce spending that does not fit into your personal and family goals and budget. Strive to live under your means.
- ❑ **Use Financial Products Wisely** — Develop a relationship with a reputable financial institution. The Reality is that a credit union provides financial education and can save you money. Learn how to use checking accounts and ATM's wisely. Avoid overdraft fees, check cashing stores and payday lenders.
- ❑ **Review Your Accounts and Statements** — For errors and fraud. Look at your statements and your bills as soon as you receive them. Keep track of your balances, your limits and due dates to avoid overdraft fees, over limit fees and late fees.
- ❑ **Be a Smart Consumer** — Plan, save, research and comparison shop for large purchases. Include maintenance costs in your budget. Resist impulse buying and advertising hooks; use coupons and wait for specials.
- ❑ **Buy a REAListic Car** — Research and shop around for a quality vehicle that fits your budget. Don't buy on emotion. Be sure to budget for insurance and repairs. Review the "Consumers Report" annual auto issue or auto websites before buying. Shop and compare auto loan rates to save on finance charges.
- ❑ **Save for Retirement** — In safe investments for your future. Small amounts invested early and often will grow substantially. Ask about all costs and compare fees for investment accounts.
- ❑ **Set Financial Goals** — Set and stick to realistic financial goals. Include short term and long term goals to guide your spending and saving. Evaluate and adjust goals periodically to keep them realistic.



Michigan Credit Union League Financial Education Council

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