

Young Investors

"Planning for a Bright Future"

Financial Peer Pressure



You see it, you want it. That's only human. People are always looking at what others have— whether it be a new car, new clothes, or a new CD— and thinking they would like to own it, too. Buying things just because it's "what's in now" can leave you with very little or no savings and a closet full of junk that you don't really use or need.

Make a Budget— a first step to curbing impulse buying. To help you make your financial choices, look at how much money you are likely to have over a set period of time (like the next 3 months). Start by writing down your income— such as your allowance or regular earnings from your job. Consider any events where you might receive any additional money— like a birthday or holiday.

Next, write down the things you want to do or buy during the period and how much each will realistically cost. (Don't include the stuff that your parents will cover). Things you might want to include would be clothing, sports equipment, and activities such as eating out or concerts. Are you saving long term for financial goals such as college or a car? Do you plan on giving any gifts? Will some money go to charity? Is some cash for spontaneous purchases?

How to decide what to buy— If, after making a budget, you discover you want more than you can afford, you'll need to decide what things you'll keep or what things you'll just have to do without. Maybe there are some items you could skip, or postpone. Sometimes it's hard to decide where to spend your money. Here's a few questions to ask yourself that may help:

Why do I want this item?

Your best friend may have a new game, do you want the game simply because your friend has it, or do you actually want to play it? Remember this— somebody is always going to have more or less money than you and just because somebody else has it, is not a good reason for spending money for it too.

Will you use the item more than once?

Wanting can be more compelling than having. Don't blow

a big chunk of your budget on something that will be used once and then thrown into the back of your closet.

Will a different purchase make you just as happy?

Maybe you can't afford a whole new outfit this time, but a new shirt may be enough.

What are things you won't be able to do later if you make this purchase now?

Buy an expensive pair of jeans, and you may not have money to go to that concert next month.

How will this purchase effect your plan for long-term goals?

Spending all of your money now can effect when you can get that new car, or go on that trip you've been thinking about.

Don't ignore your past mistakes. If you have a history of burning through your cash quickly on a whole-lotta-nothing, use it as a learning experience! You don't have to repeat the pattern. Start new and work toward your goals!



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Be sure to register in our drawing for a \$25 VISA gift card! Simply visit our website— www.gaselectriccu.com

and click on Member Clubs on the menu on the bottom. It's easy and free, and YOU could be our next winner! A new winner is selected every quarter.

TXT Bank @ the cu

Did you know that you can now TXT bank with the Credit Union? It's the easiest, fastest way to get account balances and transfer cash. To sign up, just log in to your account online and click on the TXT banking link. Best of all— it's all free!

Test Your Money Smarts!

The following are 20 statements about spending. There are five responses to select from. Choose the number that suits you best for each statement. If a statement not apply to you, simply skip it and adjust your scoring accordingly. **1- Totally like me. 2- A lot like me. 3- Equally like and unlike me. 4- A little like me. 5- Not like me at all.**

1. ___ Each time I receive any money, I usually put a small amount of cash aside for savings.
2. ___ Each time I receive any money, I usually deposit it into my checking or savings account.
3. ___ I keep track of the money I receive from all sources.
4. ___ I set aside a pre-determined portion of my money for regular weekly expenses.
5. ___ I set aside 10% of the money I receive for savings.
6. ___ My money is managed (both spending & saving) according to a written spending plan.
7. ___ My food, snack and miscellaneous spending bill is planned in advance and done with a list.
8. ___ I rarely make less than two trips to the store a week.
9. ___ Coupons and other savings are used whenever possible.
10. ___ I comparison shop for almost every purchase.
11. ___ I do not owe anyone money.
12. ___ I do not owe any money on a loan or credit card.
13. ___ I have comparison shopped for clothes and other items in the last year.
14. ___ I don't dine out two times a week or more.
15. ___ I have thought about saving for retirement.
16. ___ I account for all of my cash by collecting receipts.
17. ___ I balance my checking account with each statement.
18. ___ I am a member of a credit union (every one gets a 1 for this one!)
19. ___ I am saving money towards my college education.
20. ___ I have given money/food to a need person in the last two weeks.

Match Your Score

17-27 Very Perceptive!

Now, teach others how to do it!

28-42 Pretty Good!

Concentrate on improving some of the weaker areas and you'll be amazed at the difference overall.

43-58 Average.

An hour a week focused on improving spending would equal an increase saving and giving you more to invest.

59-75+. Room for improvement.

Implement a spending plan immediately to avoid a financial disaster!

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