

SAFE Newsletter

StraightTalk® Association for Financial Empowerment • Improving the future of our communities

Managing Money During Good Times and Bad

Spring 2013

Are you doing things that will make it easier for you to take life's financial surprises in stride – illness, unemployment, birth of a child, major home or car issues? It's never too late to begin. Here are some steps you can take to help secure your finances against the unexpected.



Start an emergency fund.

Save at least six-month's worth of expenses in an "untouchable" fund in case of an event that could severely impact your household budget.

Review your insurance.

Check your insurance policies. Do your rates and coverage meet your needs? Don't risk paying hundreds more than necessary and possibly being over or under insured. Take the time to learn how much you could be saving.

Don't overpay on banking fees.

Collect your loan agreements and highlight your interest rates. Call and compare rates. Reduce fees you pay to your financial institutions, credit card companies, cable, internet, and phone service providers by paying bills on time, avoiding "foreign" ATMs, switching to lower-cost providers, or reducing the number of services you have.

Reduce or eliminate unnecessary expenses!

Would your finances improve if you: had one less vehicle payment, switched to basic cable TV, had one cell phone and no land line, cancelled memberships/subscriptions, brown-bagged lunch, ate at home, enjoyed home-made coffee in a travel mug, or had a rummage sale? Changes add up to savings!

Start now.

Identify the areas where you can cut back and do so. For more ideas and tools you can use to manage your finances, visit:

<http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre19.shtm>

<http://www.ftc.gov/bcp/edu/microsites/moneymatters/jobs-loss.shtml>

FINANCIAL TIP

Spring Cleaning!

Thinking of having a rummage sale?

Consider inviting your neighbors to do the same and make it a social event with financial benefits.

Your unwanted items can help you pay for the week's groceries or may become the start of a nest egg.

QUESTIONS?

What do you want to learn more about to build a healthier financial future?

Email us at:
contactus@financiallysafe.org
and tell us what you want to know!

PRODUCT WATCH: Say "No!" to Payday Loans



Payday loans are short-term loans that often charge extremely high interest rates and fees. In many cases, borrowers are unable to break free of their dependence on payday loans. Why? Borrowers who cannot afford to repay the loans within two weeks may be forced to roll over the loans and incur additional interest and fees—repeatedly. This trend can quickly deepen a borrower’s financial troubles by creating out-of-control debt.

Could It Happen to You?

Millions of Americans are trapped in this downward spiral of payday loan debt. National Public Radio® ran a story in March, 2012 about a man who had used mortgage money to pay for his family Christmas celebration. The man took three \$500 payday loans to hide the shortage, planning to pay them off with his next paycheck. The payday lenders charged a \$175 service fee for each of the loans, so his first payment only covered the \$525 in service fees. The loans and fees continued to roll over until he owed much more than he could earn in one paycheck. According to the reporter, the man was paying 651% interest on the loans. Over the course of one year, this would have cost him \$18,000!

Want to learn more? Take a look at this infographic from The PEW Charitable Trusts to see How Payday Loans Work: <http://www.pewstates.org/research/data-visualizations/how-payday-loans-work-85899452693>

Stay Financially Safe and Sound.

Payday loans are not the best way get through difficult times. Keep your financial situation safe by seeking reasonable lending options. Talk with a reputable financial institution representative to find a path that fits your situation, or seek guidance from a trusted family or community member.

Notification of Annual Meeting



The Annual Meeting of the Board of Directors and the Members of SAFE will be held on Friday, April 19.

The meeting will be held at 12:00 pm at Corning Credit Union, corner of Ferris and Pulteney Streets, Corning, NY.

www.financiallysafe.org

SAFE | 87 East Market Street, Suite 201 | Corning, NY 14830