

Bad Money Habits and How to Fix Them

Learning how to use money wisely is an essential skill that isn't always taught to us as children. Some of us pick up bad money habits on our journey to adulthood. Often, we're just not being mindful of where our money goes.

See if you have any of the following bad money habits. Then read on to learn how to break them and replace them with good habits.

1. Use credit cards to pay for a lifestyle beyond your means – It's easy to spend wildly with a card; you don't see the money slip away until you get the monthly bill. If you can't pay off your credit card balance each month, then at least pay more than the minimum payment. Remember that even if you don't use the card, the interest charges will compound, increasing your total debt. To break a credit card habit, try using cash or your debit card instead for a few weeks and look at your checking account balance every day. You'll quickly learn to stop and think twice before making a purchase.
2. Living paycheck to paycheck – If you're spending as much as you earn, you'll always be short of funds by the end of the month for your rent and bills, and you'll never be able to save. So, first, get a clear picture of your essential expenses: your rent, utilities, gas, insurance, groceries. Add them up, then deduct that total from your monthly take-home pay. Ideally, essential expenses should take up only 50% of your income. If it's more, then you'll need to either find ways to reduce those expenses or get another job. Of the remaining 50% of your monthly income, use at least 20% to pay down debt and add to savings



and use the last 30% for everything else you want.

3. Not saving for an emergency fund or retirement – Life is unpredictable; you can't always tell when your job may be downsized or your car needs a major repair. That's why it's important to build an emergency saving account that has enough to cover at least 3 months of expenses. Relying on a credit card will only send you further into debt. It's also important to begin saving for retirement. The younger you are when you start, the more you'll earn through the magic of compounding interest.
4. Keeping subscriptions you don't use – If you have an automatic recurring expense, like a gym membership or a streaming service, but you aren't using them consistently, then why are you paying for them? Review all subscriptions and if you haven't used them on a regular basis for 3 months, cancel them. Put the money you save into your savings.
5. Not tracking spending. Just try it one month to get a clear idea of where you are spending your money. Keep a receipt for every purchase, categorize them in a budgeting app or spreadsheet, and add them up. You may discover that buying lunch everyday instead of making your own is costing you about \$200 every month, money that could be used to pay down a student loan or credit card bill.

Like any bad habit, it will take some work to change bad money habits to good ones. Just know that the peace of mind a healthy financial status brings is priceless.

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SAN TAN CREDIT UNION ANNUAL MEETING AND MEMBER APPRECIATION DAY

Friday, February 28, 2020
10 a.m.—4 p.m.
78 West Ray Road, Chandler AZ
Business Meeting @ 4 p.m.

Celebrate the credit union difference with raffle prizes, a barbeque and most important of all:
Vote for your board of directors!

Free up your cash when you Skip-A-Payment on your STCU loan.

Skipping your payment does not impact your payment record or credit score. STCU simply advances your due date by one month and extends the term of your loan. For example if your remaining loan term is 36 months, you would make 36 payments over 37 months.

And it's an easy process, download a form from our website at www.santancu.org.

Feeling the Money Squeeze?



Receiving an automatic deposit, tax refund or direct withdrawal to your account via ACH to your San Tan CU account?

- Our routing and transit number is: 322172069
- Use your base member number. If you are looking at your printed checks, drop the last digit from your account number.
- Make sure to designate checking or savings.

If you have questions, call us here at the credit union and we will be happy to answer any questions for you.

San Tan CU lobby hours:
Monday, Tuesday,
Wednesday, Thursday:
10 a.m. to 5 p.m.
Friday: 10 a.m. to 6 p.m.



2020 Upcoming Holidays

Monday, January 20 - Birthday of Martin Luther King, Jr.
Monday, February 17 - Washington's Birthday
Monday, May 25 - Memorial Day



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San Tan CU's Routing & Transit:
3221-72069

Wire Transfer Instructions:

Receiver Depository Institution:
Catalyst Corporate FCU
ABA/Routing & Transit # 311990511

Beneficiary Financial Institution:

San Tan Credit Union
322172069

Beneficiary
Your name & account number



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