



# Consumer Affairs Tabloid



## Keeping you in the “KNOW”

287- CITY

Army Community Service Financial Readiness Branch

February 2011

### We've Got Bills to Pay

*“If I made \$50 more each month I would have enough to start an emergency savings or to start investing.”* Does this sound familiar? How many of you received a pay raise during the previous year? Were you promoted, went over a certain number of years for pay purposes, or received an annual increase in your pay? If so, did you start or increase the amount of your savings? If not, what happened? Have you ever noticed that the more you make the more you spend? We continually raise our standard of living; buy a bigger TV or vehicle, spend more during the holidays; use the money to take a vacation; or upgrade from fast food joints to upscale restaurants.

There are a large number of Military & Civilian Families in which only one person in the household works. Some of these Families are single parent households. They must tighten their belts and account for every penny. These Families are even able to save a little each pay period for their future. So how come so many two income families are barely scraping by and using the excuse “We’ve got bills to pay” as the reason they are unable to save money.

How many of you are planning on moving back in with mom or dad? That’s what might happen if you don’t have a plan and spend every penny you earn each month.

Each time you receive an increase in pay sock at least half of it in some sort of savings. Treat this as a bill and set up an automatic payment or allotment to this account. Send this payment to a savings account in a financial institution not linked to your main bank or credit union.

Next time you are asked why you are not saving don’t use the excuse “We’ve got bills to pay.”



### Excerpt from Military Saves

[www.militarysaves.org](http://www.militarysaves.org) & [www.facebook.com/pages/Military-Saves/55037599726](https://www.facebook.com/pages/Military-Saves/55037599726)

What is Military Saves? Military Saves is a national campaign to persuade, motivate, and encourage military families to save money every month, and to convince leaders and organizations to be aggressive in promoting automatic savings.

Why Join? You'll be a part of a global movement dedicated to personal financial stability. Financial stability is about a lot more than knowledge - it takes consistent action over time. Military Saves is a campaign to make every military community a supportive environment to assist in that.

All over America people just like you are proving that you don’t have to be rich to build wealth. As members of Military Saves, they are paying off their debts, and saving to reach their financial goals. We can help with tips and tools to help you set goals, develop strategies to reach those goals, and to start saving. So what are you waiting for? Enroll in Military Saves and start making your dreams a reality.

Take the Savers Pledge and Join today. ‘I will help myself by saving money, reducing debt, and building wealth over time. I will help my family and my country by encouraging other Americans to Build Wealth, Not Debt.’

Military Saves week is 20-27 February 2011. Join in and plan activities at your unit or organization during the month of February. Contact Melody Squires, Fort Hood Military Saves Project Manager at 553-4702 for more information.

### **FINRA Foundation Military Financial Capability Survey Reveals Military Debt Problem**

WASHINGTON — The FINRA Investor Education Foundation today (October 14, 2010) released a survey revealing that debt is a major concern for Military Families, with almost 82 percent of Military servicemembers reporting that they are at least \$10,000 in credit card debt, or have an auto or mortgage loan.

The study reveals that men and women in uniform face considerable obstacles in maintaining their financial readiness:

- Military Families are heavily in debt to credit card issuers, with over one in four respondents reporting more than \$10,000 in credit card debt.
- One in four servicemembers with checking accounts reported overdrawing their accounts, which typically incurs significant fees.
- More than one in five (21 percent) servicemembers used high-cost, non-bank borrowing such as payday or auto title loans in the last five years.
- Over half of enlisted personnel and junior non-commissioned officers reported that in some months, they made only the minimum payment on their credit cards.
- Only 50 percent of Military respondents have a "rainy day" fund for unanticipated financial emergencies.

"The survey results show that, while our men and women in uniform are doing better in some areas than civilians, they are also significantly deeper in debt than the general population. The FINRA Foundation's program for Military servicemembers is working every day to help Military Families tackle their debt problems and take control of their financial future," said FINRA Foundation President John Gannon.



### **From the files of Fort Hood Consumer Affairs Office**

Have I mentioned that Military Saves week is 20-27 February 2011? I have? Did I mention that Military Saves is a year round social campaign to assist and motivate individuals and families to build wealth, not debt? Or that this program charges units and leaders to take steps to provide their soldiers with the tools and resources needed to maintain financial readiness? Now I have.

Frequent deployments and permanent change of station moves impact a soldier's personal finance. Financial stress affects work performance and excessive debt can lead to a soldier's clearance being suspended. Eventually this impacts you and your unit's mission readiness.

Don't let your soldiers become a statistic. Encourage your soldiers and Families to take the savers pledge at [www.militarysaves.org](http://www.militarysaves.org). While you're at it encourage everyone to sign up for several financial classes and schedule a few for your unit and Family Readiness Group.

The Financial Readiness Branch offers classes on Credit, Savings and Investing, Home Buying, Banking, Budgeting/Debt Management, Insurance and Consumer Awareness/Identity Theft. Call 553-4698 for more information.

Previous issues of the Consumer Affairs Tabloid are available on the Financial Readiness section of the ACS website at [www.hoodmwr.com/acs](http://www.hoodmwr.com/acs).

Have questions? Contact: [melody.squires@us.army.mil](mailto:melody.squires@us.army.mil) 553-4702