



Eagle Wise

Your Guide to Saving & Borrowing

STRONGER TOGETHER – FINANCIAL TOOLKIT

WWW.FIRSTEAGLEFCU.ORG

Practical Money Skills

Few of us get through life without borrowing money. We borrow for various reasons – whether short-term or long-term – and if credit is used wisely, it can improve our lifestyle and financial situation.

First Eagle is dedicated to the financial success of each member. That's why we created this toolkit outlining the importance of financial education.

Setting Financial Goals

If you don't have enough money to buy all the things you want, you have to be selective. You need to save for **individual needs** (clothing, food), **emergencies** (sickness, accident) or **future opportunities** (education, investment, assets).

To know how much you have to save, you need to set financial goals for yourself and for your family.

Clear and relevant goals are important to the success of any plan, and that's also the case for a savings plan. Setting goals is an important part of the budget process, because it will make the outcome of budgeting feel worthwhile. Goals should be:

- Important to you
- Realistic and achievable
- Simple and clear
- Worth your commitment

A budget can help you pay your bills on time, cover unexpected emergencies, and reach your financial goals – now and in the future.



GreenPath Financial Wellness

First Eagle's partnership with GreenPath offers members free access to money management and financial education services. Online tools include:

- ⇒ Creating a budget
- ⇒ Managing money
- ⇒ CheckRight tutorials for first-time checking accounts
- ⇒ Steps to track expenses
- ⇒ Savings and Investments
- ⇒ Credit and Loans
- ⇒ Steps to establish credit
- ⇒ College
- ⇒ Your first job
- ⇒ Buying your first car

Visit www.greenpath.com/fevcu or call #877-337-3399 to learn more!



Make Life Better.

Dollars & \$ense

Managing your money wisely and saving part of your income has many benefits. So why save?

Day-to-Day Saving

- Savings offers you peace of mind and a sense of security; you'll feel less stress if you're not living paycheck-to-paycheck
- You can meet your expenses without having to borrow money

Medium-Term Saving

- As your savings grow, you can pay for larger items that seem out of reach such as a down payment for your own home
- A regular savings routine establishes a financial track record, which is important when you apply for a loan

Long-Term Saving

- Saving long-term means you'll have more choices in the future, such as more funds for retirement
- Investing means putting your savings to work, with the goal to grow funds over time

Borrow Wisely. Borrowing can help you start or expand a business; it can help you respond to an emergency in your family or help improve your living conditions sooner. It also can help you establish **credit**.

Taking out a loan always carries a risk – the risk of not being able to repay and forcing you to go deeper into debt.



Always explore different financing options. You can use your own money – savings, income from business, income from selling assets or you can take a loan – from friends, relatives or our credit union.

Budget & Budgetting. If you want to be good at managing your finances make a budget. A budget is an estimation of income and expenses for a particular period. It can help you:

- Keep track of your income and expenses; control your money
- Identify how much you should save to reach your goals
- Make wise decisions about spending and saving

To create your budget, you need to:

1. Identify your **sources of income** (i.e. salary, business income, bonus, sale of assets, etc.)
2. Identify **your expenses** (i.e. food, education, clothing, debt repayments, medical, etc.)
3. Remember your **short- and long-term financial goals** which includes saving for the future
4. **Adjust** your expenses and income to meet your goals



Good Credit Is Important. Credit is using someone else's money to pay for something, with the promise of paying them back over a period of time. Credit uses two elements: **principal** and **interest**. The **principal** amount is the actual amount of money that you borrow. The **interest** is the amount of money that is charged for borrowing the money.

You can build credit by paying bills on time, making timely car payments or even taking out a small loan with a parent as a co-signer. Establishing credit and learning to use it wisely when you are young is important. A good credit history means you'll receive more favorable terms (lower interest rates) when you need to borrow money.

Protect Yourself. Sometimes unfortunate events happen. You, or a family member, might get sick or have an accident. So, take protective measures to be prepared.

- Don't overspend; establish an emergency savings fund
- Get insurance (a protection in the form of monetary compensation for a loss due to an unpredictable event or risk)



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