

# **Your Money Your Future**

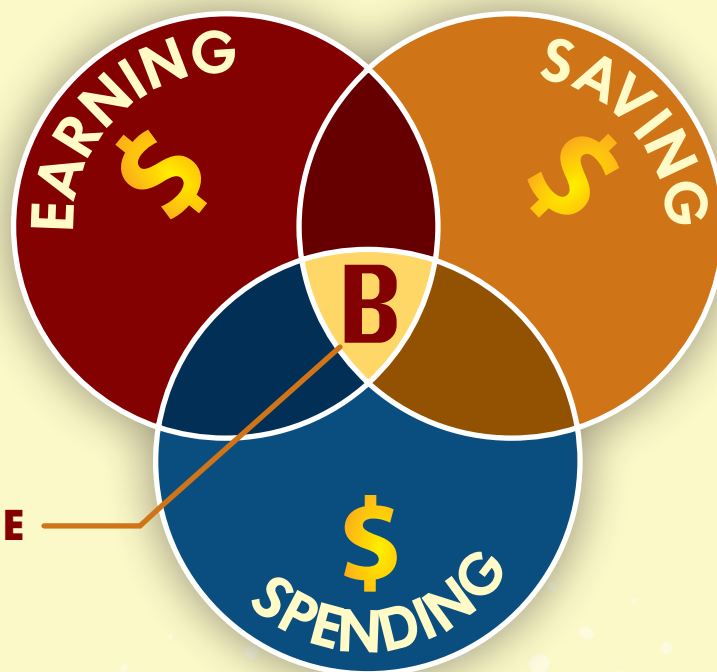
A Guide to What's Next

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You might think that the hardest thing about money is getting it. Not true! The hardest thing about money, is understanding it. It's a complex subject that many adults don't even understand. But when you break it down, it gets a lot easier.

## THE BREAKDOWN ●●●●

There are really just three basic things you can do with money; earning it, spending it and saving it. When those three things come into balance, you're in control of your money instead of your money being in control of you.



● **BALANCE**

## EARNING MONEY ●●●●

You've probably figured out by now that if you want money, you've got to earn it. That means work. There are many different kinds of work. It can involve things that your parents pay you to do around the house, it can involve getting a job (think working at the mall) or it can involve starting your own business (think mowing lawns in your neighborhood). Regardless of which type of work you do, be sure you pick something you enjoy so your work is fun.

When you work, you receive money, generally in the form of cash or a **check**. Money is typically paid to you either for every hour you work or for completing one task. This money is yours to do what you want with. You can either, save this money or you can spend this money. Here's where things get interesting.



### CHECK

A piece of paper that represents money that is saved in a credit union or a bank. Checks allow you to pay someone else without having the actual cash money with you.



## SPENDING MONEY ●●●●

Spending money is something that we are all really good at! And whether we really need what we're spending it on (food) or we really want what we're spending it on (video game), once it's gone, it's gone!

So how do you keep track of the money you're spending? Well, if you're using cash it can be tough. Luckily, there are tools made just for this purpose.

### Checking Account:

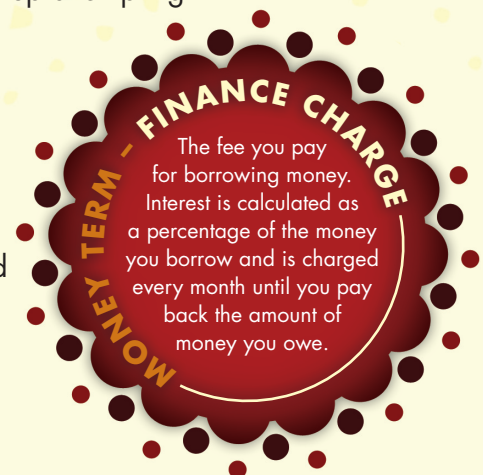
A checking account helps you to see where your money is now and understand where it went when you spent it. Checking accounts come with an online **check register** and monthly statements that show you the important details about each check you write. When the checks you write match up with your online **check register**, you have a balanced checkbook.



**Debit Card:** A Debit Card can be used at stores or online to spend the money that you have in your account. It can also be used at thousands of ATM machines to take money out of your account in cash. Each time you use your debit card you will need your PIN (personal identification number), so make sure you memorize it and **never** share it with anyone.

Be sure to make note every time you write a check or use your debit card so you know how much money is in your account. If you don't, you could end up attempting a purchase and being "denied" or worse get charged a fee.

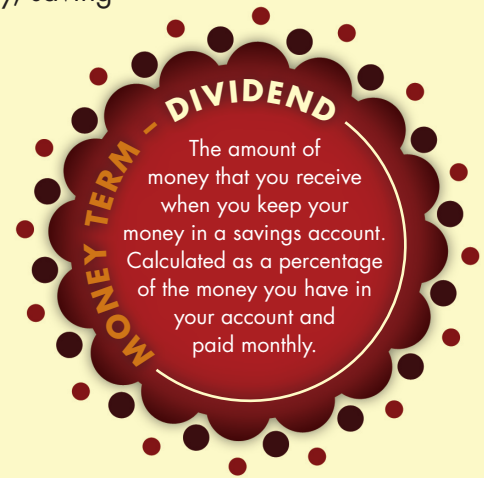
**Credit:** Credit allows you to spend money that you haven't gotten yet, but it comes at a price called a **finance charge**. Credit should only be used for emergencies or big purchases and should never be used without a plan for paying the money back. Credit CAN BE DANGEROUS! If you abuse it, you could wind up in serious debt that could take years to pay back.



## SAVING MONEY ●●●

Anyone can spend money, but it takes someone smart to save it. You have to be willing to trade spending on the little things for something big in the future. Luckily, saving money has its own set of tools designed to help you out.

**Savings Account:** When you put money into a savings account, your credit union or bank pays you for each month you leave it there. It's called **dividends** and it's the safe way to save. Be sure to take a little of your money each month and put it into your savings account. You'll be amazed how fast it adds up.



**Investments:** When you invest, you give your money to someone else (like a company) who uses it to try to make more money. If they make money, they pay you more money back. If they lose money, you could lose money as well. When it comes to investing, think long term and consult a professional first.

## THE BALANCE ●●●

When it comes to money, balance is everything. Earning, Spending, and Saving can all exist together, it just takes a little practice. Remember, your parents have already figured it out, so follow their lead and be sure to check out Zeal Credit Union's nextgen program. It contains every tool discussed here, plus it will kick start your savings by matching your first \$5 deposit. Check out the website for more information [www.ZealCU.org](http://www.ZealCU.org).

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