

HOW TO ACHIEVE A POSITIVE MONEY MINDSET

- Learn from past mistakes and forgive yourself to move forward
- Eliminate a scarcity mindset and adopt an abundance mindset
- Be open, honest, and transparent about your finances, especially if you have a financial partner
- Ask questions, never stop learning, and get reputable help
- Practice gratitude and give some money away to charities, non-profits, or churches
- Set smaller, attainable goals and reward yourself

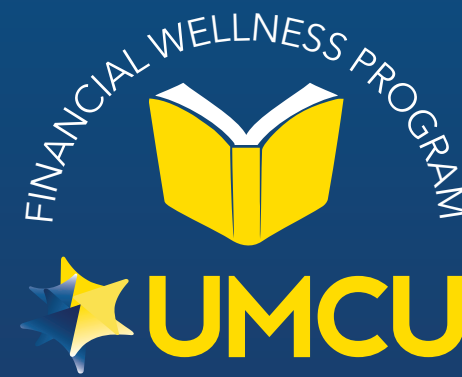
WHEN IT COMES TO FINANCIAL WELLNESS, REMEMBER...

- Money management can be learned
- Emotions and values will always play a role (FOMO and YOLO)
- Some financial decisions will impact you for years, so be thoughtful

NOTES

CONTACT US

IF YOU HAVE QUESTIONS
OR NEED ANY RESOURCES



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FINANCIAL WELLNESS

TRUTH OR MYTH

1

Having a high income means you are financially healthy.

Myth - Regardless of your income level, being financially healthy is dependent on how well you spend, save, borrow, and plan your money.

2

When you have a plan for your money, this can reduce stress.

Truth - Finances can be stressful, but when you have a clear plan and goals, this can help you feel more in control and reduce stress and anxiety.

3

It is bad to borrow money.

Myth - It's okay to borrow money, but you want to make sure the payments are affordable for your budget and that you aren't paying a high interest rate. Most people can't pay cash for everything.

4

When you apply to borrow money, only your credit score and payment history matter to the financial institution.

Myth - These criteria do matter, but debt-to-income ratio, income and employment history, assets, and down payments can also be factored into a lending decision.

5

There are free, professional services to help with your finances like budgeting, saving, and debt.

Truth - At UMCU and other places, there are certified financial counselors you can talk to for free about your financial situation to get individual advice.

6

Social media, like Instagram, TikTok, Facebook, and YouTube, is the best place to get financial advice.

Myth - These can be quick ways to get money tips and some advice might be legitimate, but there's no way to tell if it's always accurate. It's best to get advice from websites and professionals that are trusted and certified.

8 INDICATORS TO MEASURE YOUR FINANCIAL HEALTH

These components align closely with our daily financial activities. What you do today in terms of spending, saving, borrowing, and planning either builds towards or detracts from your resilience and ability to achieve your financial goals. For example, are you currently able to handle a major car repair or an unexpected medical bill? Are you saving consistently?

If you can do well in most or all of these categories, it will set you up for financial success.

SPEND

1. Spend less than income (analyze the difference between income and expenses)
2. Pay bills on time and in full (determine the percent of bills that are paid timely and for the minimum amount due)

BORROW

5. Have a manageable debt load (seek an overall debt-to-income ratio less than 36%)
6. Have an excellent credit score (720 or above)

SAVE

3. Have sufficient liquid savings for short- and medium-term expenses (have at least 3-6 months of essential living expenses saved in an emergency fund)
4. Have sufficient long-term savings (adopt a "pay yourself first" approach with a focus on retirement)

PLAN

7. Have appropriate insurance (ensure the type and extent of coverage provides protection against potential health and property risks)
8. Plan ahead for expenses (set and meet goals to manage current and future financial obligations)