

Information from **RCU Investment Services** to help keep your financial life in balance

## ViewPoint

## Consumer Sense

### Simple Things You Can Do To Save Gas and Money

With gas prices approaching \$3.00, drivers can benefit from many different strategies to save fuel.

**It's a drag.** At highway speeds, more than 50 percent of engine power goes to overcoming aerodynamic drag. Try not to add to the drag by carrying things on top of your vehicle.

**No loitering.** Don't let the engine run at idle any longer than necessary. After starting the car in the morning, begin driving right away; don't let it sit and "warm up" for several minutes.

**Stay warm.** An engine runs most inefficiently when it's cold. It not only uses more fuel but also creates the most exhaust emissions and suffers the most wear.

**Watch the tires.** Keep your tires properly inflated. Under inflated tires require more energy to roll, which not only wastes fuel but also wears the tires faster. According to the EPA, a tire that is under inflated by only 2 pounds per square inch can cause a 1 percent increase in fuel consumption.

**Getting regular.** If your car specifies regular fuel, don't buy premium under the mistaken belief that your engine will benefit. Most cars are designed to run just fine on regular gasoline. Furthermore, many cars that recommend premium fuel also run well on regular.

**Easy does it.** Driving smoothly and steadily makes the best use of your fuel. If you can, avoid hard acceleration or braking. Once up to speed, maintain a steady pace in top gear.

## Have You Read...

**MONEY DOESN'T GROW ON TREES: A PARENT'S GUIDE TO RAISING FINANCIALLY RESPONSIBLE CHILDREN**

by [Neale S. Godfrey](#), [Carolina Edwards](#)

Are you worried about your children's financial future? Then whatever their ages, *now* is the time to teach them the money skills they will need every day of their lives.

**222 Ways to Save Gas and Get the Best Possible Mileage**

by [Cunningham](#)

"101 ways": The complete new automobile "economy" manual that tells you "how to" increase gasoline mileage and reduce auto repair costs

by [Ken Stansbie](#)

### Raising Money-Wise Children

Most parents would do just about anything to ensure that their children have the skills to succeed in life. However, fewer than 40% of parents say they talked about credit cards, debt or family finances with their children. It's possible, of course, that your child might get a meager education in financial literacy through the schools. But, according to the National Council on Economic Education (NCEE), an independent nonprofit dedicated to increasing financial education for students in grades K-12, only seven states — Alabama, Georgia, Idaho, Illinois, Kentucky, New York and Utah — require that high-school students complete a course in personal finance. Even if you know that you could use a lesson or two on the finer points of personal finance, that doesn't mean you can't raise money-wise kids. For added motivation, consider that the smarter your kids are about money, the less likely they'll hit you up for cash when they enter adulthood.

Here are five basic concepts that parents should teach their children: earnings, budgeting and planning, saving and investing, handling credit, and banking.

#### Earning

Getting paid for household chores like keeping their room clean or making their bed each day instills in children a good work ethic. And having some disposable income opens the door to several other personal-finance lessons, like saving and spending.

#### Savings

Teaching your child to prioritize and save for what he or she *really* wants. Start by having your child draw up a list of the things he

wants most. Next, have them do some research. Help them look in newspapers, on the Web or in stores to discover how much things cost. Then, help your child prioritize his savings goals. And remember, this is *his* goal, not yours: Assuming it's within reason, let the child purchase what he wants.

#### Credit Union Account

A child as young as 10 years old can learn the basics of interest and writing checks, and to gain a sense of financial responsibility. Karen Johnson, a mom from Carlsbad, California, was surprised at how opening a savings account at her credit union transformed the thinking of her 12-year-old son, Zach. Before the account, Zach would spend gift money and allowance on toys. Once he deposited his money in a savings account and was told to manage it, Zach decided he didn't want to deplete it with frivolous purchases. "It gave him a real sense of security to know he has \$500 in the bank," says Johnson.

#### Credit

Parents can teach the concept of borrowing when the child is saving for an expensive toy. After the child has saved half the amount of the toy she wants, allow her to borrow (if she so chooses) against her future allowance to make up the difference. Explain that over the next few weeks she will have to pay back to the parent the savings portion of her allowance. You may consider adding an extra week to teach the cost of interest. Sounds tough? But better that little Suzy learn about paying down debt from you, now, than from a credit card company later.

### Interested in Learning More?

For more information or to schedule a no-cost, no-obligation appointment, please call us today: **(800) 479-7928.**

