

Big Summer Purchases – Transcript

Financial Wellness takes a little discipline, and some good advice. At Golden 1 Credit Union, we're here to help. As a not-for-profit, member-owned credit union, our main goal is to help you reach your financial goals. We are able to provide advice, tools, and resources: whether you're trying to make a major purchase, start an investment fund, or just have some peace of mind. Golden 1 is your financial partner and together we can be golden.

Hello, and welcome to the Golden 1 Financial Wellness Podcast. I'm Martin...

...and I'm Karla! Martin, is it just me or is the weather getting hotter and hotter?

Well, we do live in California. And summer is just around the corner.

I know! But what happened to spring?

We had a couple of days of spring, let's not get too greedy.

Fair enough. You'd think I'd be used to it by now. Despite the heat, summer is the most popular season for getting outside and going on adventures.

Most of us remember loading up the family car each summer and heading off to national parks, amusement parks, baseball parks...basically any kind of park!

Which brings us to the topic of this "getting ready for summer" themed podcast: What steps can we take to make sure our summer budget is ready for all the expensive things that we like to spend money on this time of year?

Expensive things? Like what, Karla?

During the summer, at least here in California, RV, home, and car sales are at their highest! And, Martin, I've seen some amazing RVs rolling around town. I wouldn't be surprised if they cost as much as a house!

Even more reason to have your budget figured out before you start the buying process! Tell you what, let's focus on RVs on this podcast. While COVID is slowly moving into our rear-view mirror, the truth is very few things that we did in the summer of 2019 are available to us in 2021.

Having a sweet RV to roam around the state in would be ideal, in that case! You don't have to worry about traveling with a bunch of strangers like you would on an airplane or on a train, and the places you can go are limitless!

Pump the brakes! Yes, cruising around the Golden State in an RV sounds like the perfect way to escape this summer, but we need to remember that RVs can come with a hefty price tag. Let's break down the buying process to help our travel-hungry listeners make the smart choice when it comes to big summer expenses.

That would be smart.

Yeah, I know. Thanks!

No, not you.

Oh.

I mean a SMART goal is the best way to save up enough money to buy the RV of your dreams!

Right. I knew that's what you meant. For those of you who haven't listened to one of our podcasts before, a S-M-A-R-T in SMART goal stand for Specific, Measurable, Attainable, Relevant, and Time-Bound.

Basically, be specific about how much you want to save...

Specific.

...make sure you can measure your progress...

Measurable.

...figure out if you even can afford to put that much into savings...

Attainable.

...decide if this is really something that you need in your life right now...

Relevant.

...and finally, determine how much time you want to give yourself to save up enough money to make your big purchase.

Time-bound.

Going through each of these steps will get you on the right path towards making a smart decision with your money!

Let's break it down even further, Karla. Let's say I want to buy an RV. I'm not really sure what kind or what size or what brand, I just know I want one. Am I taking the first step towards making a SMART purchase?

Nope. Just knowing you want an RV is too vague. We need to get more specific. For the first step, we want to know the brand, the price, the insurance cost, what your financing terms are, if there are any, etc. etc.

Very specific. But it's so important because if we don't have a specific number in mind, we won't know how to measure our progress towards our goal.

So, once we know the total cost, and we know how to measure it, we have to figure out if it's even attainable. If you need to save \$400 a month, but you don't have \$400 extra in income, where is that money going to come from?

You might have to put in some extra hours at work or ask for a raise if you think you've earned one. That brings us to our next point...how important, or relevant, is this purchase to your life right now.

Is it worth putting in the extra hours, or cutting back on other expenses? If it is, then good for you! You just need to set a time limit for your savings and get started!

Maybe not this summer, but possibly next summer, or the summer after!
However long it takes for you is the right amount of time.

Things might change while you're saving up for your new wheels, that's why it's so important to do extensive research so that you know that the RV you picked is truly the RV of your dreams.

Don't forget, you might not be able to make your purchase outright, so you'll have to do a little financing. Don't hesitate to shop around for the best rates and walk into the RV dealer with confidence!

And guess what? Once you've made your big summer purchase, the expenses don't end there. You'll still be paying for gas, insurance, taxes, maintenance, and maybe even a few things you don't know about yet! Don't stop saving just

because you reached your initial goal. Now it's time to redo your budget with a whole new set of goals in mind.

You know how much I love that word. Budget. You knew we were going to get around to talking about it eventually! We have a few podcasts that go into more detail on how to create and maintain a budget that works for you, so I won't break it down now other than to say...if you don't have a budget; make one!

That should be our new tagline, Martin!

(both) If you don't have a budget; make one!

I like it! But, I'm still partial to...

This has been Martin...

...and Karla...

...wishing you all financial health and happiness and reminding you, as always, to...

(both) Stay Golden!

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