Be Financially Healthy! Nine Ways to Beat Inflation
Mark Munzenberger, UMCU Financial Education Manager
More or Less?
$5.29

$4.79?
• 2022 Chevy Malibu RS
• Body Style: Sedan
• Engine: 1.5L Turbo 4-cylinder engine
• Transmission: Automatic
• Ext. Color: Mineral Gray Metallic
• Int. Color: Jet Black, Premium cloth seat trim
• MPG: 29 City / 36 Hwy
• 1 round trip ticket
• Detroit to Las Vegas
• Leaving Friday, December 30th, returning Friday, January 6
• Main Cabin
• 12:35pm flight times
• 16 OZ Starbucks Pumpkin Spice Latte (Signature espresso and steamed milk with the celebrated flavor combination of pumpkin, cinnamon, nutmeg and clove. Enjoy it topped with whipped cream and real pumpkin-pie spices ®).
• 390 calories, 50g sugar, 14g fat
• New Hudson location
$4.29?

$4.09

• 87 octane
• 9/12/2022, 7am
• Mobil station (10 mile & Rushton)
We’ve all felt the impact

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food at Home</td>
<td>+13.1%</td>
</tr>
<tr>
<td>Electricity</td>
<td>+15.2%</td>
</tr>
<tr>
<td>Airfares</td>
<td>+27.7%</td>
</tr>
<tr>
<td>Used Cars</td>
<td>+6.6%</td>
</tr>
<tr>
<td>Gas</td>
<td>+44%</td>
</tr>
</tbody>
</table>

Impact of inflation on everyday items as of July 2022

Source: Bureau of Labor Statistics
Are there some actions we can take to help keep our budgets healthy? YES!
1. Manage Credit Card debt carefully

“The average credit card interest rate is 18.09% percent. As a result, consumers from every credit score category - including those with the very highest credit scores - are finding it increasingly difficult to find a competitive card with an APR much below the current APR average of 18.09% percent.”

www.creditcards.com, 8/31/2022
Example

Current balance = $1,000
Interest Rate = 18.00%
Minimum Payment = $25 (2.5% of the balance)

The results …
It will take **9 years and 5 months** to pay off the balance, and the total repaid is **$1,923.18**.
2. Buying Food

At-Home

<table>
<thead>
<tr>
<th>Kroger</th>
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Away from Home

<table>
<thead>
<tr>
<th>Hungry Howies</th>
</tr>
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<table>
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<tr>
<th>Busch’s</th>
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<table>
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<tr>
<th>McDonald’s</th>
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</table>
Food-at-home spending increased from $888.2 billion in 2020 to $955.6 billion in 2021 and food-away-from-home spending increased from $922.2 billion in 2020 to $1.17 trillion in 2021.

Food-away-from-home spending accounted for 55 percent of total food expenditures in 2021, returning to pre-COVID-19 pandemic share levels.
Save at the Grocery Store

1. Pay with a cash-back grocery rewards credit card
2. Sign up for the loyalty program
3. Clip coupons
   - There are also now digital options - download your favorite grocery store’s mobile app
4. Join a wholesale club
5. Go in with a list and stick to it. Plan meals!
6. Buy items on sale – be flexible on brands
7. Avoid pre-packaged items
   - Stores often charge more for the convenience
8. Compare prices between stores
9. Buy generic brands
10. Use a rebate and coupon app
    - Ibotta & Rakuten
    - Coupons.com
    - Checkout 51
3. We love our subscriptions!
4. We love our conveniences!
5. Give yourself an insurance “check-up”

- When was the last time we shopped around for auto coverage?
- Do you have coverage you no longer need?
- Have you asked about available discounts?

True or False – Michigan still ranks in the top 5 for most expensive auto insurance premiums.
Great Savings for Drivers Over 50

Switch now and you could save $420* on car insurance!

AARP® Auto Insurance Program from The Hartford®.

Don’t Wait to Start Saving
Call The Hartford now to request a FREE quote

1-888-606-6929
6. Consider using Cash

Using Cash Has a Positive Impact on Your Spending

“The biggest benefit of using a cash-only budget for small daily expenses is that you’re typically more motivated to stick to your budget as you start running out of money. There’s also something powerful about handing over cash than swiping your card. Think about it: do you enjoy seeing the number of bills you’re carrying around shrink? Probably not. It’s more painful to physically hand over cash than it is to swipe your card.”
7. Use Technology
8. Be Energy Efficient

- Unplug appliances when not using them
- Install LED lights
- Make sure your appliances are energy efficient
- Seal up any gaps
- Turn down your thermostat
- Insulate your home better
- Reduce water consumption
- Use cold water for washing clothes
Tips on Saving Money and Energy in Your Home

Contents

1. Save Money and Energy Today

2. Assess Your Home’s Energy Use
   Professional Energy Audits, DIY Energy Audits, Your Whole-House Plan

6. Weatherize Your Home
   Air Sealing, Insulation, Energy Efficient New Construction and Additions

12. Heat and Cool Your Home Efficiently

21. Design Your Home for Efficiency

26. Save Electricity and Use Renewable Energy
   The Smart Home and Your Utility, Appliances, Home Office and Electronics, Lighting, Renewable Electricity

40. Renters and Rental Property Owners
   Renters, Rental Property Owners

41. Vehicles and Fuels
   Saving Money on Fuel, Buying and Driving Fuel-Efficient and Alternative Fuel Vehicles

44. Electric Vehicles
   How to Charge an EV at Home, Charging Plug-In EVs in Public

46. Financing, Incentives, and Assistance
   Financing, Incentives, Weatherization and Home Energy Assistance

48. References and Resources
Request a Free Home Energy Analysis
9. Budget Tight? Try Not to Turn to Your Retirement Savings
### Example

<table>
<thead>
<tr>
<th>Starts at age 30</th>
<th>Starts at age 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invests $200 per month</td>
<td>Invests $100 per month</td>
</tr>
<tr>
<td>Average annual return 7.5%</td>
<td>Average annual return 7.5%</td>
</tr>
<tr>
<td>At age 60</td>
<td>At age 60</td>
</tr>
<tr>
<td>$271,173</td>
<td>$135,587</td>
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Thank You!

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