

May

2019

Indicators of Financial Health¹: Part 3 of 5

As mentioned in previous issues, a way to achieve financial health is by looking at our financial behaviors in several areas. The third area we are covering in this series is how we borrow money. When addressing this, we must first ask ourselves two things. Is my debt load sustainable? And, do I have prime credit? Experts recommend using 30% or less of your available credit, and credit utilization above that ratio can negatively impact credit scores as it accounts for approximately 30% of your credit score². Research tells us that credit card borrowers who use over 75% of their total credit limit, are at risk for not being able to pay off the debt³. And the result of not being able to repay debt can be damaging to your credit score. Consequently lowering the possibility for prime credit, which is a credit score ranging from 740-799. For more tips on how you can borrow smarter and improve your credit score, please contact the Financial Coach.



Courtesy of Center for Financial Services Innovation¹

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your partner in health.

1. The Journey to Financial Health. Center for Financial Services Innovation. Retrieved from <https://cfisinnovation.org/research/financial-health-journey/>
2. 2019 Prosperity Now Scorecard. Retrieved from: <https://prospertynow.org/blog/millions-americans-remain-vulnerable-financial-shock-according-2019-prospertynow-scorecard>
3. Elliott, William & Beverly, Sondra. (2011). The Role of Savings and Wealth in Reducing "Wilt" Between Expectations and College Attendance. Journal of Children and Poverty. 17. 165-185.

Healthy Money Habits

Newsletter



Happy Mother's Day!

May is here! Along with the warm weather come the beautiful blooms and also a day to celebrate mom! There are many ways to celebrate Mother's Day that won't break the bank when a hand-crafted greeting card just won't cut it. But don't underestimate the power of a DIY greeting card. Celebrating mom for all she has done for us with gifts is great but have you ever considered rejoicing mom in other ways like protecting her from fraud? The Federal Trade Commission (FTC) highlighted a couple scams making their rounds in 2019. The Social Security spoof call scam is one, where the caller threatens the recipient to withhold SSI pay if they do not send in some type of payment. Another is the grandparent scam, where the perpetrator claims the grandchild is in trouble and asks for money to be sent immediately. The FTC recommends to simply hang up. Additionally, they recommend that we educate our seniors about the dangers of these scams and the damage they can cause by accessing their liquid assets. We can protect mom from being a victim of these types of scams by providing education and putting a plan in place for what to do when these scammers call. Also, know that the Social Security Administration will **never** contact anyone to ask for any type of payment. For more information on this please see the Federal Trade Commission website at <https://www.consumer.ftc.gov/blog/2019/04/ssa-imposters-top-irs-consumer-loss-reports>

Dear Financial Coach...

Q: I heard about child savings accounts and something called the Nevada College Kickstart. What exactly is that and how can I get involved?

Dear Reader: This is a great question and not many Nevadans are aware of these accounts. Statistically, children who have college savings are seven times more likely to attend college than those without³. The Nevada College Kickstart Program establishes a college savings account in the name of kindergarten students. However, as the parent you must claim your child's account by the time they enter the 5th grade to keep it. You can claim your child's account at www.NV529.org. If you'd like more information, contact the Financial Coach.

SAVE THE DATE!

In case you missed it...

- **April is Financial Capability Month** - All month
- **Financial Health Matters Day** - April 25

This month...

- **Mother's Day** – May 12th
- **National Senior Fraud Awareness Day** – May 15th

What is the Healthy Money Habits program all about?

Healthy Money Habits is a program available to Northern Nevada HOPES patients, free of charge. We are here to help you reach financial wellness by providing financial education, financial coaching, and additional services that help you set and achieve financial goals. We are not financial advisors or counselors, but we are dedicated to improving your financial health, empowering our community, improving financial literacy, and decreasing stress due to financial issues. Remember that financial health is part of your overall health!

