



Don't Let ATM Fees Break Your Budget

By **Donna McNeill**, *GreenPath/Accel Chief Operating Officer*

At Accel, we remind our members of some of the obvious ways to save money: pack your lunch a few days a week, cut back on the gourmet coffee and stick to your budget. Also, we remind them to consider how they use automated teller machines (ATMs).

Recently, there was a story about ATM fees and how consumers were charged more than \$6 billion in ATM and overdraft fees in 2015.

While you think spending an extra few dollars here or there for convenience doesn't add up, the results can be surprising. Here are some reminders, when it comes to using the ATM:

- Always use an in-network ATM. It costs nothing to access your own financial institution's ATM. When you use out-of-network ATM's there are generally two fees: one from your own institution and one from the ATM you are using.
- A lot of financial institutions now have a Smartphone app to help members find an in-network ATM, which eliminates the fee.
- If you are a frequent user of ATMs, consider ATM locations when choosing a financial institution. Make sure there are ATMs near your home, workplace, school or other frequented locations.
- You can also shop for a financial institution that does not charge ATM fees. There are a few out there, but they may require you to keep a higher minimum balance.
- The fee is always disclosed during the transaction. Since fees vary from ATM to ATM, pay attention to the amount of the fee each time.

- Generally fees are higher in places like airports, convenience stores, restaurants and bars.
- Plan ahead when you are going out. Get your cash from your financial institution on the way instead of at your destination, where fees could be much higher.
- Another trick to avoid ATM fees is to make a purchase with your debit card at check-out, and then use the cash-back option.
- A common mistake that we see consumers make is visiting an out-of-network ATM multiple times in a short period of time and paying fees. Those fees add up quickly.
- If you cannot access an ATM in your network, then some pre-planning is helpful. Think about the total amount of cash you need for the day or week, and make one withdrawal with one fee. Paying a \$3 fee to withdraw \$20 equates to a 15% fee, while paying \$3 to withdraw \$100 is only 3%.
- Be sure to keep track of all of your withdrawals and your account balance, to avoid compounding the problem with overdraft or transfer fees.



Finally, read the fine print when it comes to using your ATM, whether it's in-network or out-of-network. Check your monthly statement closely, and remember to use common sense when it comes to using your ATM card.

Webinar Wednesdays in February (Spanish and English!)

GreenPath/Accel will host two webinars in February. These 30-minute, online programs are taught by education specialists. The webinars are always free and informative without a sales pitch. There's also plenty of time for Q&A at the end of the program.

Los Prestamos Estudiantiles 101 (Student Loans 101) - in Spanish, Wednesday, Feb. 10 at noon Eastern

Join us for our first Webinar Wednesday in Spanish. This webinar will help you gain basic knowledge of student loans. We will discuss types of loans, repayment options, postponing payments, income driven plans, forgiveness programs, and the consequences of defaulting on student loans. We will also share some strategies to help you stay on track to repaying student loans.

Building and Rebuilding Your Credit, Wednesday, Feb. 24 at noon Eastern

This webinar will discuss what you need to know as you set out to build or rebuild your credit file. The first steps to take

to build credit, the importance of keeping debt low, what to do with debt problems, how you can protect your credit history and steps to take to rebuild credit are discussed during this webinar.

Click the link to sign up for any of these personal finance webinars, or log on to www.greenpath.com/accel-webinars.



How Can I Boost My Credit Score? GreenPath and NerdWallet's "Ask an Advisor"

Q: How can I boost my credit score? (My) credit score... has been stuck at 703 since March of 2015. I have checked my annual credit reports and there does not seem to be any fraudulent activity. I am 24 years old, work part-time (sadly still) and have no debt. Besides my rent, all of my bills are paid online automatically and I always have the money in my account to cover any bill. I live with a roommate so expenses are split. How can I increase my credit score?

A: One key area to work on your credit score is making on-time payments on your credit cards, loans, etc. How timely you pay your bills comprises 35 percent of your credit score. A second key area, comprising 30 percent of your credit score, is based on amount owed in relation to your credit limit.

Some credit score indicators will say if you are carrying balances of more than 5 percent of your available credit limits at the end of each month, this could start to lower your score. If you have credit cards, but are not paying them off until after the end of each month, this could impact your score.

Key is making good on-time payments for a sustained period of time and not carrying balances at the end of each month with any credit in use. If you focus on these areas, generally this should help your score moving forward.



GreenPath is proud to partner with NerdWallet and the National Foundation for Credit Counseling on their "Ask an Advisor" online counselor program. To date, GreenPath counselors have answered more than 385 questions on personal finance, debt and credit.

Have a question? Email GreenPath at nerdwallet@greenpath.com.

To see GreenPath's "Ask an Advisor" section, log on to www.nerdwallet.com/ask/advisor/greenpath-debt-solutions-nfcc-2311.

As a member of Summit Federal Credit Union, you can take advantage of the **Accel**, a program of GreenPath, Inc. Accel is a **free** financial education and counseling service. For more information, call 1-877-33ACCEL (332-2235) or visit us on the web at www.accelservices.org.