

Students get a lesson in financial reality in Warminster

By James Boyle Correspondent | Posted: Thursday, November 6, 2014 6:00 pm

Car salesman Tom Seckinger and retired teacher William Klingerman are having a bit of fun with the high school juniors and seniors stopping by the transportation booth at TruMark Financial Credit Union's Financial Reality Fair at William Tennent High School on Thursday morning.

As one of several stops on the path to building a mock household budget, the participating students need to make hard choices about what kind of vehicle, if any, they will purchase, insure and fuel from their monthly earnings. It's up to Seckinger and Klingerman to give the students real-life lessons on how to shop for cars, or in certain cases, how *not* to shop for cars.

"We advised them on things to think about when shopping, such as whether they would need to drive clients around town or if they had a significant other that they could not visit through public transportation," said Seckinger. "In some cases, we tried upselling a few of them on cars they could not afford. We wanted to challenge them and see what decisions they would make."

A handful took the bait, including one student working off of a \$20,000 projected salary as a construction assistant. Told he would need a bigger truck to transport building materials, the young man opted for a new Mercedes-Benz SUV. A review by one of the volunteer financial consultants gave him a dose of reality and sent him back to the transportation booth to select something more sensible.

It's the kind of impulsive mistake that the Financial Reality Fair allows the students to make without any real consequences, providing a valuable learning experience on life in the real world. It's the third-straight year Tennent has hosted the event, drawing students from Bensalem High School, Middle Bucks Institute of Technology and, for the first time, George Washington High School in Northeast Philadelphia.



William Tennent senior Sean Kelly looks over a sheet with financial information with John LaSalle, Vice President of Sales and Marketing for Universal Credit during a Financial Reality Fair at William Tennent High School in Warminster Thursday. "I've learned that the real world is expensive" Kelly said. TruMark Financial Credit Union, in conjunction with the Pa. Credit Union Foundation, had more than 200 students from Bensalem, George Washington, Middle Bucks Institute and Tennent attend the fair.

“Every year it’s the same message of how to save money, and we get the same reception each year,” said John Krebles, REAL Solutions program manager for the Pennsylvania Credit Union Association, which organized the fair with TruMark. “It’s an eye-opening experience for most of them, although every year we have seen more students that pay a lot more attention to their finances and know how to make good choices.”

William Tennent senior Jean-Luc Maisonet is one of the more successful participants, managing to assemble a strong budget based off a projected \$65,000 annual salary as an engineer. He kept his priorities straight and walked away from the financial counselor’s table with a little extra spending money.

“My living conditions and the car were the main purchases,” said Maisonet. “My parents taught me a lot about making good financial decisions. I knew I had to get out of debt.”

Before the fair begins, students complete a questionnaire that provides them with an assigned career profession with an annual salary and a monthly, post-tax paycheck. There is a predetermined student loan payment, a credit union credit card with a \$2,000 balance and \$70 monthly payment and a required five percent savings deposit. Armed with the new balance, the students now have to start building the rest of their budgets by making tough decisions on everything from where to live to cellphone plans, furniture and groceries.

“We want the students to walk away from today thinking about how they are going to live within their means,” said Randi Marmer, assistant vice president of community relations for TruMark. “They should know not to get a credit card unless they can pay the monthly charge. I saw a pair of girls get creative and agree to become roommates to save money on rent and utilities.”

Once the budget is complete, one of the financial consultants reviews the decisions and lets the students know whether or not they need to make some changes in order to leave with at least an even balance sheet, if not a budget that’s a little in the black.

Kimberly Dula, a certified public accountant with Friedman LLP, saw a surprising amount of participants walk in with a solid foundation of financial-planning and understanding of the pros and cons of their decisions.

“They knew that in order to get the nicer car or better cellphone plan, they would not be able to go out five nights a week or had to buy used furniture,” said Dula. “It felt really good to see so many that wanted to donate money from their bottom line to charity. That gives me a lot of hope for the future.”