

Are You Ready?

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Are you ready for some football? Sorry, but we don't have any here. Are you ready to do battle with your local friendly banker and save lots of money? Boy, are you in luck! You are in the right place at the right time.

If you haven't noticed, banks are stronger than ever these days; they're making megabucks off of people like you and me. Excuse me, but that should read "people like you," because I stopped being a patsy for the banks a long time ago! I realized that they were trying to legally steal me blind and I said, "No more!"

A few years ago, these private lending clubs for the rich and infamous were tapping their major resources to stay alive and keep all of their good ol' boys out of jail. It's you and all the unsuspecting depositors who like robots on command trod down to the bank and give them all of our money. We even pay them to take our money; when we want some back, we pay them again and say, "Please."

What a deal they have going. If we tried something like that they would throw us in jail. They either become bigger bankers or run for Congress! Who says we don't have royalty in this country? You say you don't want to sit back and take this abuse any longer? Well, you can fight back, but it will take some work on your part. Are you up to the challenge?

Get your last monthly statements for all of your various accounts and start by seeing what your average monthly balances are. Now ask yourself this question: "Do I really need to leave that much of my money for them to use each month?" Never have so many left so much for so few to pay so little -- a nice phrase to remember, and you can quote me! You should have it printed on your deposit slips! If it's a checking account, find out what you need to keep in the account to keep the charges to a minimum. Subtract that number from your average balance and get ready to "liberate" the excess. Do that exercise for all of your checking accounts.

While you are dealing with checking accounts, what do you pay your bank for those magic pieces of paper called checks? For what they charge, they should be made of gold! Now is the time to find out. You can get checks from other sources and save money. Compare prices and see if it's worth the difference to support your bank with paying more for something you can buy for less.

Quick question: What did you pay in total "bank charges" last year on each account? You don't know? You need to know. Ask why they charged you and what you need to do to not pay any charges. See what they say. Remind them how many accounts you have and what your average balances are. Tell them you are not happy with all those charges and see what they say. I think it will make you sick to see how much the bank is dunning you each month, and I think you will be surprised how quickly they will offer to drop some of those charges when you complain. Give it a try. You have nothing to lose except some bank charges.

Now let's look at savings accounts. What a name! If you believe that one, do I have a bridge for you to buy! You give them your money, and they give you some small amount of interest, which after taxes yields a number that doesn't even keep up with the inflation rate. The truth of the matter is that the total charges against all of your accounts in a given year will exceed the interest they are paying you on your savings accounts. Banks truly "have your cake and eat your cake, too."

If you have any loans, it's time to check for one of the biggest ripoffs that banks have: credit life and credit disability insurance. The banks make more money on that than they do on the loan itself. You don't have to buy it to get the loan, so if you have it, get rid of it, unless you don't have any coverage and are totally uninsurable. The rates are sky-high.

Do you have your IRAs at the bank? Are they charging you any fees? That's a joke! How much? How much interest did they pay you last year? Are you happy with the return? Check it out. You need to maximize your return. Is the bank handling your qualified retirement plan? What are they charging you? Are they getting you a fee to send money to other investments? How much? What rate of return are you getting? It's time to check this out, too. Remember: the goal is to maximize your return and minimize all charges.

You need to examine all the transactions that you have with your bank and see what you are paying them in fees. I have a form which can be yours for the asking. All I ask is that you send a self-addressed stamped envelope. It might be time to shop the competition. It doesn't hurt. The worst that can happen is to find out you can do no better. I doubt that, but who knows. Stranger things have happened, but I doubt it. It's worth the effort.

This was not meant to be a bank bashing session. You need to realize that you are involved in a love/hate relationship when it comes to dealing with a bank. They "love" to have your money but "hate" to pay you anything for it, and they really "hate" to lend you any of theirs.

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DECEMBER 1998