



CESFCU UPDATE



Holiday Closings:
 Martin Luther King Day
 January 20th, 2020

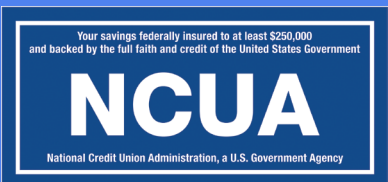
MISSION STATEMENT

Cooperative Extension Service Federal Credit Union is a member-owned financial institution, dedicated to providing its members with courteous, efficient and professional financial services while maintaining the highest ethical standards.



Research the latest new car prices, deals, used car values, specs and more. CESFCU loans NADA Clean Trade-In Value on used vehicles.
<http://www.nadaguides.com/>

REMINDER: Due to regulations, there is a limit of only six electronic withdrawals from your share/savings account per month. If you have any questions, please contact our office.



Find us on Facebook:



Please welcome our new CESFCU Manager Tammy Christian

Tammy comes to us with 25 plus years of customer service experience and 17 years of progressive experience enhancing service, operations, productivity, and profitability. Tammy also has 22 years of credit union experience; therefore, she understands the needs and requirements of a credit union. Through her 23 year career in the finance industry she has held many positions beginning as a teller and then having the opportunity to grow through the years into other positions: Head Teller, Loan Officer, Branch Manager, AVP Service Center Operations, and Director of Operations.



She brings a unique combination of strengths, skills and experiences that will enable her to create real value for CESFCU. She can translate a plan into action and complete difficult and complicated projects. She is a strategic thinker skilled in the development and execution of process improvements, new products, and services. She has a record of success developing high performance work teams and cultivating strong relationships with internal and external customers. She is trusted to deliver on what is required by supporting the rules and structures that get things done. She can keep calm and focused on what needs to get done in high-pressure/emotional situations.

In her work responsibilities, she finds that she can become deeply engaged by making things as efficient as possible, helping others become successful, and designing and developing new approaches (or products or materials, etc.). She is also energized by being part of an organization that fits well with who she is. Finally, she becomes motivated by knowing that her work can ensure that what's right is done, support her values, and create fun along the way.

Fee Schedule

CREDIT UNION FEES

Membership fee	\$10.00
Return check fee	\$25.00
(Returned item written by a member on another financial institution)	
ACH return	\$25.00
(Insufficient funds for draft through the automated clearinghouse)	
Outgoing wire	\$15.00
Incoming wire	\$5.00
Western Union wire.....	\$15.00
Excessive withdrawal fee.....	\$5.00
(Fee charged after six withdrawals per quarter from shares)	
Returned statement fee	\$3.00
Stop payment fee	\$30.00
Loan application fee.....	\$25.00
Inactive account fee.....	\$15.00
(Charged quarterly)	

Address and Phones

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Board of Directors

- BeVerly Sims, President
- Joe Waldrum, Vice President
- Judy Riley, Secretary
- Sherry Funderburg, Treasurer
- Amy Heck, Member

Staff

Tammy Christian, Manager

Fourth Quarter Dividend

The board of directors has declared a dividend of .25 percent with an APY of .25 percent on the average balance of shares for the fourth quarter of 2019.

Statistics

As of November 30, 2019

Assets.....	\$4,552,433.66
Loans	\$2,521,769.52
Shares	\$3,215,090.17
Members	902

Preparing a Budget? Ten Tips for Making That Budget Successful

Mike wrote in lamenting his struggle to make a budget work for him (he attached his budget for me to look at, but I think sharing it with 100,000 readers might make Mike a bit uncomfortable): *I keep trying to stick to a budget, but I keep failing. I go through all the steps that I read about in Suzy Orman's Financial Guide workbook, but when I actually put it to work, something always comes up and I can't stick to it. What's wrong?*

If you're continually seeing failure at budgeting, the best place to look is usually at the fundamentals. It only takes a fundamental mis-step or two to transform a well-planned and well-formed budget into a complete disaster.

Here are ten very powerful things to consider as you build your budget that will point you on the right track towards success.

1. Know why you are budgeting.

If you're developing a budget just because someone says it's a good idea, it probably won't help very much. Similarly, if you're just following the steps in a personal finance workbook because it suggests this is a great way to move towards financial success, budgeting won't help much at all.

The reason for budgeting is to help you spend less than you earn. It shows you where your spending weaknesses are and provides the structure for you to get stronger in those areas. I like using the "training wheels" analogy when describing a budget – it's not a solution itself, but guidance towards being able to effectively and naturally spend less than you earn.

2. Have a specific, concrete long term goal in mind.

For many people, it's debt freedom. For others, it might be saving for a house or for the ability to make a career change. Whatever it is, having a big long term goal in mind, particularly something that would have a big impact on your life, is useful when planning a budget.

Why? An effective budget is likely going to involve a few difficult choices. You'll likely be agreeing to cut your entertainment spending and probably planning to do a few other things that on the surface seem like they'll reduce the quality of your life a little. Knowing that these little choices are in fact adding up to something specific and tangible – and something that you really want – makes the process much more palatable.

3. Know how much you actually make.

The correct answer here is not just your annual salary, nor is it dividing your annual salary into twelve parts for a monthly budget. Instead, you should be basing your budget on your take-home pay per month.

If you make \$48,000 a year as a salary, you're likely knocking off somewhere around \$8,000 in income taxes, and likely much more than that when you look at other work benefits and costs you're paying up front for them, like health insurance. Because of that, using \$4,000 a month as the basis for your budget simply isn't correct – the correct number is likely much closer to \$3,000, and possibly below that.

Make sure you know exactly what you're bringing home as a paycheck, because that's the number you'll use as the framework when you budget.

4. Have some accurate data when it comes to your spending, both monthly and irregularly.

Similarly, when you go to plan a budget, it works best if you plan it based on real numbers. This means pulling out your bills and your receipts for the last month or two – all of them – and figuring out what you're actually spending. Your first "budget" shouldn't actually be a budget at all – it should instead reflect your spending in an average month.

Don't forget the irregular bills, either, like homeowners' insurance, car licenses, auto insurance, property taxes, and so on. These bills shouldn't be "unexpected surprises" – instead, you should be planning for them throughout the year by socking away a little each month for them.

5. Have checking and savings accounts that have useful budgeting tools incorporated by default.

Does your bank offer automatic transfers from your checking account to your savings account (or, even better, sub-accounts)? Does your bank offer online bill pay? The answer to both of these should be yes.

Now, does your bank charge you maintenance fees on your account? Do you have to pay a lot of ATM fees? The answer should be no.

In short, if your bank is doing these things, they're actively working against you in terms of making a successful budget work. Many banks offer these features – online bill pay, automatic transfers, no ATM fees, no maintenance



fees, and often a nice interest rate to boot. Some options include ING Direct (the bank I use), E*TRADE, Washington Mutual, and Charles Schwab all offer solid online checking and savings options.

6. Have a simple budgeting tool that you understand how to use – start with pencil and paper if you have to.

If you're starting off by sitting down with Quicken or Microsoft Money and you're quickly overwhelmed by the complexity of the software and the huge number of options available, it's going to be a lot harder to convince yourself to keep going with this. Your first budget should be incredibly easy to use and manage – and you should understand it from the inside out.

That's why the best bet is usually to use pencil and paper for your first budget. If you want to move it to an electronic format, I'd recommend trying something simple like Pear Budget Online or their free spreadsheet.

That's not to say that Quicken or Microsoft Money aren't great options – they are. The problem is that they offer so many options that it can often overwhelm the new user, and if you're overwhelmed, you're quite likely to just give up because "budgeting is too complicated." Don't let that happen – start with simple tools, then move to more complex ones if you feel a need.

7. Be realistic.

Budgeting is like diet planning – it's not going to work if you make huge, unrealistic assumptions right off the bat. If you're trying to diet, moving to a lettuce and tofu diet might work for a few days, but eventually you'll crack. A much better solution is to be realistic – instead of drinking a sugar and fat heavy coffee in the morning, cut down to a low fat version, and instead of eating a double cheeseburger for lunch, bring your own cold cut sandwich. Small steps work; big steps result in failure.

The same rule applies to budgeting. Don't pledge to reduce your entertainment spending by 80% – it won't work over the long haul. Instead, just average out what you've spent on entertainment for the last few months, and pledge to a cap of just 5 or 10% below that average. Then, after some time and some success, trim it a bit more. Going whole hog right off the bat will almost always end in failure over the long run.

8. Have some support from at least one other person.

Whenever you're attempting to make a significant change in your life – and a budget is a harbinger of significant financial change – things always go better with support. Look to your spouse, your parents, or your closest friends for help.

If you're surrounded by a group that's actively committed to overspending, you're in the midst of negative support – the kind of support that will cause you to abandon your plans. Take some tentative steps to find a less materialism-oriented crowd to spend your time with. After all, if you're considering a budget, you're also considering a significant shift in direction when it comes to your money choices, so take it a step further and find healthy support for these new choices.

9. Set some very short term goals that you can easily achieve if you stay on budget.

While long-term goals are great for feeling good about your general direction, they don't always help with the day-to-day choices. It's easy to convince yourself that one little slip-up won't actually hurt your big goals (even though they do, because one little slip-up is often just the first pebble in an avalanche).

One powerful solution is to develop some short term goals to go along with your long term goals. Set a weekly food budget and splurge on a pint of Dove ice cream if you stay within it. Set a monthly entertainment budget and go out to a guilt-free movie if you're within budget at the end of the month. It's the simple motivations that work the best.

10. Don't be afraid to adjust, even radically.

There will usually be moments when you're learning to budget when you discover that some element of your budget is just not right. It's not realistic because you forgot about some key piece of information while making your plans, and that means the budget you developed doesn't really work.

Don't panic. Don't abandon your plans. Just go back to your plans, make the needed adjustments, and start over again. This is normal – it happens to everyone. It does not mean your budget was a failure at all – it just means it needed to evolve a little bit.

Financial freedom is a powerful and beautiful thing. Good luck in taking the first steps to get there.