



THE SHEAF

Summer 2021

Drowning in Debt? Start with Little Wins.

Paying off credit cards can be a bit like doing your taxes. You have no idea where all the money went and all you want is for the entire situation to be done. The problem is that, like the IRS, a lot of credit card debt is not going to go away overnight. You have to celebrate the little wins that make it easier to stay on the path to becoming debt-free. Try one of these approaches, and you will start to see your debt going down a little each month.

1. Pay Smallest Debts First

The easiest way to make some progress is to look at your bills and figure out which one is smallest. You can put your extra money toward that one debt, while you continue to make the minimum payments on the others. This allows you to see the biggest possible reward happening quickly. Once that debt has been paid off, you can work on the next one. As you see your debt dropping, you are more confident and better able to stick to your budget goals.

Benefits:

- Easier to figure out where to start
- Pay off smaller debts faster
- See progress sooner

2. Target the Highest Interest Rate

Another approach requires a bit more homework on your part. With this trick, you gather all of your credit card bills and figure out which one has the highest interest rate.

Take the highest-interest debt and put your extra income toward paying

it off, and just pay the minimum on everything else. It can be tempting to start paying off your car loan or student loans if those are the biggest monthly payments, but those interest rates are often far lower. Paying the highest-interest debt decreases the amount of money you pay each month in interest, the primary problem that keeps people in debt.

Advantages:

- Decrease amount of interest paid faster
- Focus payoff goals on the biggest debt-producer, not the biggest payment
- Improve awareness of overall debt situation

3. Celebrate Progress, Big and Small

When you first start working to pay off your debt, it can be easy to get discouraged because the total drops slowly. To help the habit stick, you have to build in little rewards to motivate you to keep going. If you are one of the millions of Americans with an average credit card debt of about \$16,000, you should know that every extra dollar you pay to your debts will result in less interest paid, and a faster route to getting out of debt. Set an initial goal of paying off \$500 or \$1,000 in debt, and then give yourself a well-deserved pat on the back when you reach it.

We're Here to Help!

Getting out of debt takes time, but you do not have to do it alone. If you have questions on eliminating credit card debt or would like more personalized advice, give us a call at 202-479-2270 or email us at members@agfed.org.



CONTACT US

24/7 Member Services:
(202) 479-2270

24/7 Online Banking
www.agfed.org
Email us: members@agfed.org

24-hour Loan by Phone:
(888) 451-LOAN (5626)

24-hour Telephone Banking:
A.R.T. (Audio Response Teller):
(202) 488-3130 or (800) 872-2328

Mailing Address:
P.O. Box 2225, Merrifield, VA 22116-9998

We continue to help our members remotely and offer appointments at the South Building, Riverdale and Smithsonian Branches on a limited basis for members who have proper employee ID.

USDA South Building Branch
1400 Independence Ave., SW, RM SM-2
Washington, DC 20250

USDA Cafeteria Branch
1400 Independence Ave., SW, RM 1218
Washington, DC 20250

George Washington Carver Center Branch
Temporarily closed due to renovations in the building, this branch has relocated to BARC West.

BARC West Branch
10300 Baltimore Ave., Bldg. 003, RM 327
Beltsville, MD 20705

Riverdale Branch
4700 River Road, RM 1C09
Riverdale, MD 20737

Smithsonian Branch
Smithsonian Castle, RM B-10
1000 Jefferson Drive, SW
Washington, DC 20560



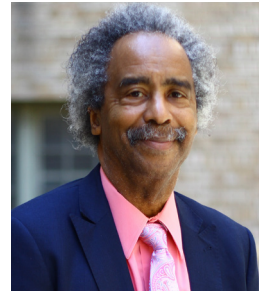
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Credit Union
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CHAIRPERSON'S CORNER

The Transition to the New Normal



For the past 15 months, the world experienced a global pandemic. Who knew that March 2020 would shift our lives in a way that we will never forget? Most of us were fortunate and could maintain safety in our homes. Many others courageously battled on the front lines to tend to the health of our community, while other essential workers made sure we were able to maintain some sense of normalcy in the midst of a mass quarantine. As science quickly responded to COVID-19 with a vaccine and society adjusted with guidelines to keep our community safe, the credit union ensured its commitment and dedication to our members in a number of ways.

AgFed seamlessly responded by attending to business with staff working remotely while still providing solutions to members via email, phone, and by appointment. When the Federal Reserve lowered its rates to historic lows, the credit union responded by lowering its loan rates to help our members recharge their financial status or finance their dreams. If you haven't taken advantage of the low interest rates, contact us to learn more about how we can save you money by refinancing your home or auto loan or how we can help you consolidate debt or make renovations with a Home Equity Loan.

Additionally, we have been constantly looking to different avenues to attract business and service existing members. As we continue to transition into a "new normal," the credit union has still been rated very well by regulators and audit reports. Going forward we will continue to provide outstanding service while investing heavily in technology to not only keep your accounts and personal information safe and secure, but to also make banking with us simple and efficient in the new normal.

We thank you for being dedicated to our credit union! We have all made adjustments in ways we never imagined and the AgFed staff has been intentional about its support to transition how we do business as seamlessly as possible. As we continue to make adjustments to maintain high-quality service to you, we hope that you and your families will adjust to the new normal in a positive and safe way. As always, if you have any suggestions as to how we can serve you better, we are attentive to your feedback. Thank you again for your continued support. We hope for strength for you and your family as we all continue to heal and build our lives to healthier and safer environments.

Sincerely,

Elard J. Phillips, Chairperson