

Winter 2020 Edition

How to Create a Budget You'll Actually Follow

The thought of having to have a budget may worry you. It may even scare you. It is hard to know how much you will spend every month on the things you need to buy and the debts you need to pay. Yet, you may know that having a budget is critically important to maintaining your financial health. It all comes down to creating a budget that is designed well enough to allow you the flexibility you need. So, how do you create a budget that you can actually follow? Consider these steps.

Know Where You Are Spending First

You have two options here. You can spend some time working through the last two months of purchases and payments made through your credit cards, loans, and checking account. Or, you can start this month with calculating how much you spend every day. The key here is to know where your money is going and there is no better way to do it than to track expenses. A big mistake many make when creating a budget is guessing at these amounts. That leads to inaccuracies that make it impossible to follow a budget.

Start Building a Budget with Consistent Payments

Some payments you make each month are the same every single month. This includes your mortgage, car loan, and perhaps some of your utilities. These are fixed payments. Though you may be able to negotiate them lower with your lenders, they generally will stay the same every month. Add these to your budget as a first step.

Gather Your Income Sources

Where does your money come from? List each of the sources you have. If you do not have a set monthly payment, consider the average for the last six weeks. Another common mistake is assuming you'll get overtime or have more to budget than you do. The easiest way to complete this step is to review the net pay amount from your last several paycheck stubs, since taxes have already been taken out.

Managing Those Unknown Expenses

For the other expenses you have that may be differing amounts month to month, consider these tips:

- Create a category for each expense. This should include everything from utilities to groceries.

- Include a category for "spending money" such as eating out, entertainment, etc. Trying to eliminate all "fun money" from your budget is the quickest way to creating a budget that will not be followed.

- Create a category for saving. Even if you do not currently save regularly, still create the category in your budget.

- To determine how much you need for each category, look at the last six weeks to two months. Create an average for how much you actually spent in each category.

Managing Your Budget

When you build a budget using how much you actually spent, you can get an idea of how much you need. But, it does not stop there. From this process, you can determine where you can make adjustments over the long term. Could you spend less by cutting back on the cable bill? Perhaps not eating out once a month will allow you to put \$50 into a savings account. Manage this budget each month. Balance your actual spending with your budgeted expenses to see how you did that month and make any necessary changes. Realize it will change from month to month, too. Just having it visually displayed for you can help you see where you are spending and it gives you some direction on how to make smarter financial decisions.





AgFed News

AgFed Board of Directors - Run by Petition



If you are interested in serving on the Credit Union's Board, your application must be submitted by Tuesday, January 21, 2020. After this date, you may still run by petition. Members in good standing, age 18 or older may run for election by petition. Petitions must be signed by 275 members, which represents 1% of the membership of 27,512. Members who sign the petition must include their name and member number. Petitions are due to the Secretary of the Board and must be received by the Credit Union no later than 3:30 p.m. on Monday, March 20, 2020. Interested members submitting petitions must also include their member number and a statement of willingness to serve, if elected. Along with the petition, a statement of qualifications and biographical data must be included. All applications and petitions may be submitted by faxing the documents to (202) 479-3877, attention Nominating Committee or by email to marketing@agfed.org. If mailing, please send to: AgFed – Attention Nominating Committee, P.O. Box 2225, Merrifield, VA 22116.

Don't Miss the Annual Meeting

You are cordially invited to attend AgFed's Annual Meeting on April 29, 2020. Join us for refreshments, gift card raffles, an overview of the past year and a chance to meet the Board of Directors.

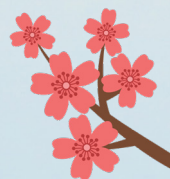
We'll meet in Room 1 in the back of the USDA Cafeteria (14th & Independence Ave., SW). The meeting gets underway at noon.



Credit Union Cherry Blossom Run

On April 5, 2020, AgFed will again be a proud sponsor of the Credit Union Cherry Blossom 5K and Ten Mile Run. As a participating credit union, we have a limited number of guaranteed entries, which are available to members while they last. If you are interested in joining the run, please email us at marketing@agfed.org to receive details.

The proceeds from this great event benefit the Children's Miracle Network Hospitals nationwide.



Credit Union Scholarship Opportunities



Could you use help with college or trade school tuition? We are proud to announce two scholarship opportunities available to eligible members of the Credit Union.

AgFed Credit Union Foundation Scholarship – The AgFed Credit Union Foundation is awarding two essay-based \$1,000 scholarships to eligible AgFed Credit Union or AgFed Credit Union Foundation members. More information on this scholarship is available at agfedcufoundation.org.

Credit Union Foundation of MD & DC Scholarship – The Credit Union Foundation of MD & DC is awarding twelve \$1,000 scholarships. Eligible members may apply for one of ten \$1,000 essay-based scholarships, one \$1,000 video-based scholarship and/or one \$1,000 photo-based scholarship.

Visit agfed.org to learn more about these exciting scholarship opportunities!





Holiday Closings

Martin Luther King Jr. Day
January 20, 2020

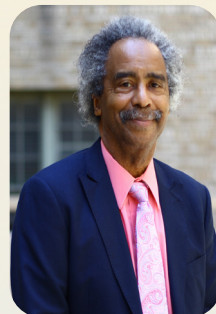
Presidents Day
February 17, 2020

Chairperson's Corner

Change in the New Decade

Greetings:

As we close out the year, we must prepare ourselves for the transition of new beginnings. The world is constantly evolving and change is inevitable. It is often not about the change itself, but how we respond to it. Fear of change promotes a fixed mindset, however when accepted, change creates opportunities.



Some of us remember the front-page headlines on Y2K. Some of us remember gasoline being twenty five cents a gallon. Just twenty years ago, financial institutions looked and felt different. For instance, we remember walking into the branches and negotiating our transactions, while now we use online banking and apps to complete our transactions. Our personal relationship with finances has developed through massive innovation and that leap of faith in technology helped simplify many processes. We adjusted to the transitions not even realizing their effect in our daily lives. So remember to "buckle your seatbelts" and get comfortable for a new decade with its challenges, changes and new opportunities..

Finally, one thing that will not change is the credit union's mission of people helping people. AgFed will continue striving to be the "Peoples Credit Union".

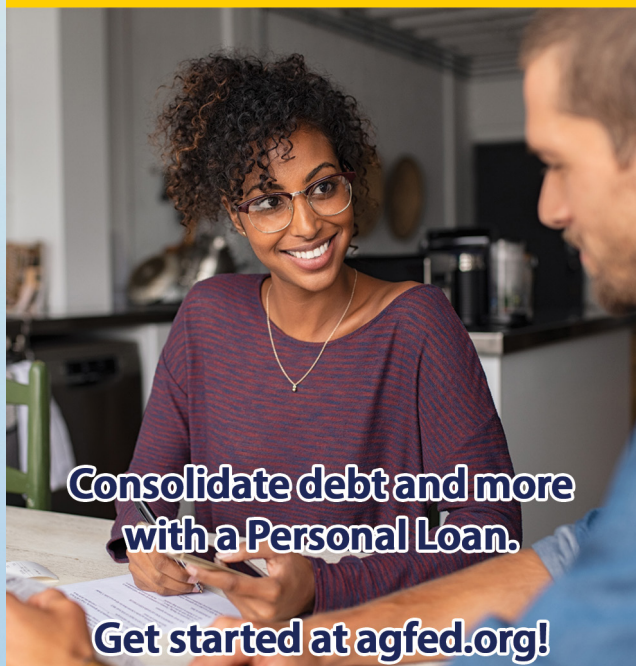
As we embark on the a new year, take time to reflect; Cherish the joy in your memories and embrace a new year and a new decade of possibilities. Best wishes for a happy and healthy New Year!

Sincerely,
Elard J. Phillips
Chairperson, AgFed Board of Directors

Coming Soon: Debit Card App

AgFed is pleased to announce an unprecedented benefit for our debit card holders. We're introducing CardControl, which lets you manage your debit card by remote control from your smartphone. In addition to letting you turn your cards on and off whenever you choose, CardControl lets you control when, where and how they're used. It can even provide instant updates to help manage your budget and help identify and stop potential fraud from happening. CardControl will be available for download soon at the Apple App Store or Google Play Store.

Consolidate Debt



**Consolidate debt and more
with a Personal Loan.**

Get started at agfed.org!

Welcome Home



**Finance your new home with historically low rates.
Find your mortgage at agfed.org!**



COMMUNITY CORNER

FEATURED RATES

NEW AUTO

48 Months

3.49% APR¹

PERSONAL LOANS

12 Months

6.49% APR¹

CERTIFICATES

36 Months

1.80% APY²



The Fast & Fierce 5K

AgFed sponsored the Smithsonian National Zoo's Fast and Fierce 5K which raised money for the conservation of wild black rhinos and other wildlife conservation projects.



AgFed CU Foundation

The AgFed Foundation collected canned goods to donate to Bread for the City. Thank you to our very generous members who donated!

Follow us on social media to view upcoming events!

(1) APR is Annual Percentage Rate. Rates effective as of 12/6/2019. Actual rate may vary as it is determined by an evaluation of credit, amount, term and other factors. Term is determined by loan amount and/or credit evaluation. All loans are subject to credit approval. (2) APY is Annual Percentage Yield. Rate effective as of 12/6/2019 and may change at any time without notice. Certain restrictions and conditions may apply. Visit www.agfed.org for current rates.

AgFed Credit Union Your Partner for Life

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Washington, DC 20250

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Merrifield, VA 22116-9998

24/7 Online Banking
www.agfed.org

24-hour Member Service
(202) 479-2270
(800) 368-3552

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



Contact us - if you're up, we're up - 24/7 Banking Convenience
Email us at members@agfed.org

