



MY FINANCIAL RESOLUTIONS



*“I want to slim down my spending, but ...
I am not interested in a lifestyle diet!”*

The noise makers are put away, the endless ‘Best of ...’ lists are done for the season (thankfully) and your first resolution may have already gone by the wayside. If one of your resolutions was to get your financial house in order, there are ways to make the process, not quite pain-free, but at least a bit easier to live with, than say, going to the gym everyday and eating only healthy foods. Pass the chocolate please.

“Recently a member came to us for a loan. We reviewed his finances and suggested he switch chequing packages, pay off his overdraft and consolidate debt. Our member agreed and once we were finished we had increased his monthly cash flow by decreasing his chequing account service fees, eliminated his overdraft interest and fees and reduced his overall loan interest rate. Our member ended 2009 in a better cash flow position and can look forward to better financial health in 2010.”

— As told by a Personal Account Manager



Set Your Goals

Before you can start on anything you have to have a realistic goal in mind. Since decreasing your monthly spending and increasing savings are the ultimate goals, start by setting a spending goal. How do you do that? You must start by looking at your expenses for a few months. Choose three ‘normal’ months and gather your receipts for cash transactions, bank and credit card statements. Do the **Financial Cardio Fitness** test at mycreditunion.ca – and click on ‘Get Financially Fit’ icon. After the shock has worn off, realistically look at your spending habits. What really could be eliminated without hurting your lifestyle significantly? Remember, making too many drastic changes at once, especially in the beginning, is a sure fire way of setting yourself up for failure. It’s not about giving up your favourite treats; it is about figuring how to work them in. Now build your budget based on your average spending. For budget tips go to mycreditunion.ca and click on Belong, Educational Articles, Financial Planning and then “Tips on Budgeting”.

Lose the Rate

One way to immediately see a difference is to eliminate high interest debt, like credit cards. No, we do not think you have a big bag of cash lying around. What we are suggesting is that you consolidate all your personal debt into one loan. Not only will you likely decrease your overall interest rate you will absolutely decrease your minimum monthly payment. As a bonus you will have a real debt free end date. Once you pay off your credit cards, only use them if you can pay the balance in full when the bill comes.

Cinch the Spending

Keep track of your spending. Research indicates people who journal their caloric intake and exercise outputs lose up to 50% more weight than those who do not – so too with spending. Once you start tracking it’s easy to see where you can cut the fat. Make it a habit at the end of the day to take 15 minutes and write down everything you spent. Keep it simple only use just a few expense categories.

Stop Busting the Budget

At first it is not about decreasing spending, it is about controlling it. At the end of the month compare your expenses to your budget. Where did you go over, were there extenuating circumstances? Be honest – a shoe sale is not an extenuating circumstance.

Measure Your Progress

After a few months – re-take the **Financial Cardio Fitness** test. Has your fitness improved? If not, what held you back? But do not worry; changing spending habits is not easy. If it was, everyone would do it.

(please turn over)

The Credit Union Rates vs Credit Card Rates*

President’s Choice Financial	
MasterCard	19.97%
TD Gold Select Visa	19.75%
Sears	28.80%
The Credit Union	as low as 6.15%

* All rates quoted are subject to change without notice.

Your card may have been compromised – now what?

You have just received a call from C.U. Member Assistance (Call Centre) letting you know your debit card may have been compromised, your card limit for withdrawals and purchases has been decreased and you either must come in to the branch to replace your card or a replacement card can be mailed to you. We know replacing your C.U. Debit Card is a hassle, but with debit card skimming and other forms of fraud on the rise protecting our members is our priority.

What happened?

Each day The Credit Union reviews reports that list member debit card usage at locations that either have been compromised or are under suspicion of skimming. It does not mean any of the cards on the list have actually been compromised, rather it alerts us to the possibility. Once we receive the list and identify possible skimming activity, we act fast to avoid our members becoming a victim of debit card fraud.

The most common way criminals gain access to your identity is through debit and credit card transactions. There are a number of ways access to your information can be gained and new methods continue to evolve. Often, criminals replace PIN pads with their own or put a false front on machines to copy card information. This is called skimming – where your information is skimmed from the magnetic strip on your card. Sometimes, criminals work with employees by promising them a piece of the action or it may even be employees themselves.

What to watch for

At a store:

- You are asked to swipe your card in more than one machine or you are asked to swipe your card multiple times
- The cashier takes your card and completes the transaction out of view
- The cashier swipes your card at a different terminal than the one you used

How to protect yourself

- Keep all debit cards and credit cards safe, never leave them laying around
- Use your hand or body to shield your pin during every transaction
- Do not write your PIN down
- Do not share your PIN with anyone

- Use a random PIN number, one that someone would not guess
- Check your statements regularly and alert your financial institution immediately if something suspicious appears
- If an ATM machine looks suspicious do not use it
- If a cashier asks you to do something that seems irregular, do not hand over your card or ask for it back and do not enter your PIN into the machine
- If you think there is any chance your information has been skimmed contact your financial institution right away.

Cover article continued ...

Increase your Savings Weight

It has been a few months; you have a system in place, now it is time to increase your savings weight. Take the **Financial Strength Fitness** test. How much are you short? You cannot realistically make up the difference right away, but shaving expenses 5 to 10 percent is likely doable. You will find, once saving becomes a habit, spending without thinking will decrease. Cut down expenses by taking your lunch to work an extra day or two a week, skip the coffee shop and bring a thermos. Use energy saving appliances and check energy websites for tips on saving on your utility bills.

Still not convinced you can keep your New Years' resolution? We want to C.U. so you can get started on making your financial resolution a reality, come in, drop us a line or give us a call. By the end of the year, 2010 will make one of your own 'Best of...' lists.

Go to mycreditunion.ca for:

- Questionable RRSP/RRIF Schemes
- The Personal – Winter Driving

Online Tax Returns

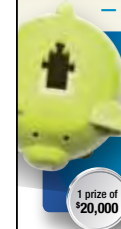
QuickTax will be available January 28, 2010 to start your tax returns. As a member of The Credit Union, you'll receive 20% off the QuickTax single return Standard rate of \$16.99 before and including April 1, 2010 and \$19.99 after April 1, 2010. All it takes is one quick click on **QuickTax** on The Credit Union's C.U. Online and home page and you'll be connected.

The RRSP deadline for this year is March 1, 2010.

RRSP Loan	2.25%*
Savings Accounts	
RRSP /RRIF up to \$20,000	0.80%*
RRSP/RRIF over \$20,000	1.05%*
TFSA up to \$5,000	0.80%*

*All rates quoted subject to change without notice.

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thepersonal.com/mycreditunion



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