

WINTER 2020

# PALMETTO CONNECTION

**Palmetto First hosted its first ever Virtual Annual Meeting on December 8<sup>th</sup>.**

With the uncertainties ahead, please stay tuned for information on details for our 2021 Annual Meeting.

## The Latte Factor

*One way to get your finances on track in 2021.*

How often do you find yourself saying, "I can't afford that?" Whether it's about an unplanned expense or something that you want to buy. David Bach, author of *The Latte Factor*, says that's usually just a lie we tell ourselves.

In his book, *The Latte Factor*, Bach lays out several key points in his book that can be summed up thusly: Small amounts of money spent on a regular basis cost us far more than we can imagine.

The Latte Factor came about after a class Bach had taught some years ago. One of his students said she couldn't afford to save, but she was drinking a latte at the time (and most every day in his class.) He ran the numbers and showed her that, if she skipped the latte, she would save \$5 a day. What does \$5 a day mean to you? Let's do the math. \$5 a day is \$150 per month. Would you like to save an extra \$150 per month? What's the value of \$150 per month 10 years from now? At 10%, you will have an extra \$30,000 from the Latte Factor alone. Over 25 years, five dollars a day will net you over \$185,000. It's amazing how such a small difference each day can make a huge impact over time.

As you head into the new year, vow to stop saying "I can't afford that" and take a second look at your finances. You don't have to starve yourself of enjoying everything life has to offer. Instead, pick one thing you know you spend money on that you might be able to do without. Is it your morning latte, eating out for lunch every day?

If you want to get serious about getting your finances in order this year, here are two recommendations:

1. Buy *The Latte Factor* and read about how Zoey turned her morning latte into the words "I CAN afford this." It's a quick read.
2. Take a look at your current debt. Instead of making multiple payments for multiple loans, have you thought about consolidating those payments into one lower monthly payment? You may even get a lower interest rate that will minimize the amount of interest you're paying.

**APPLY NOW** or **CONTACT US** to see if we can help you get started in getting your finances in order this year.



Grab your cape and experience superhero-sized savings when your child joins the Dollar Dog Kids Club at Palmetto First! Perfect for kids 12 and under, our Chief Fun Officer, Dollar Dog is here to help our youngest members learn the importance of saving money from an early age.

**Join the club at [palmettofirst.com](http://palmettofirst.com)**

UNbank with Us

  
**PALMETTO FIRST**  
FEDERAL CREDIT UNION

# Resources for Seniors in a Financial Crunch

## Use Up/Down Arrow Keys to Increase or Decrease Volume.

Many seniors avoid seeking help for their money problems, citing reasons such as not wanting to bother people, not knowing who to trust, and feeling ashamed. Yet trying to deal with debt issues alone is often not the best approach. While money problems may be uncomfortable to talk about, there are resources where you can find valuable assistance.

## Friends and Family

If you are in financial straits, reach out to caring friends and family members; they are often more forgiving and willing to help than you may think. Try not to let pride get in the way of getting what you need. If the situation was turned around and those you love needed help, would you give it? The answer is probably a resounding yes. Everybody needs a hand at some point in his or her life—this may be your time. Before debt spirals out of control, or you are living so sparingly that your basic needs are not being met, discuss what is going on with a loved one. Catching a financial problem in its early stages is best for everyone.

Before you approach someone with your financial dilemma, know what you are going to say and what you will ask for. If you are looking for a personal loan, be clear about the terms. Propose a repayment time frame, payment amounts and, if you want, interest. On the other hand, if you know you will not be able to pay the money back, be clear about that.

## Credit-Counseling

If you want professional and objective financial support, contact a reputable credit-counseling agency. These nonprofit organizations provide comprehensive, educational, and goal-oriented services at no or low cost, and their counselors are experienced with helping a wide spectrum of people, including older Americans. They offer budget and debt counseling to assist with money management, and debt management plans for help with outstanding bills.

For some seniors, a Debt Management Plan (DMP) is an ideal way to deal with such financial obligations as credit card debt, unsecured loans, and medical bills. The agency will perform much of the communication with creditors, and your interest rates and penalty fees may be reduced or even eliminated.

That said, not all credit-counseling agencies are created equal. When choosing, look for an organization that has been in business for a long time, is accredited by a neutral third party, and is certified by HUD to

provide housing counseling. It should be education-orientated, and provide full financial coaching (including goal establishment, spending plan review, and establishing savings) by well-trained coaches.

Avoid any organization that aggressively solicits you for business, makes “too good to be true” offers and ridiculous promises and is vague about interest rates and fees, charges the first-month payment as a DMP set-up fee, or high monthly administration fees. If you will be using their DMP, consult the Better Business Bureau to check for past client complaints. Read the contract carefully before signing.

There is no reason a senior citizen should have to deal with debt problems alone. Help does exist. Reach out and get the assistance you deserve from trustworthy people and organizations.

“We initially reached out to Palmetto First for a small boat loan, then for a new family vehicle. Most recently, Jessica helped us get our dream truck.

From the moment you step up to the window or sit with a loan associate, **you are treated as an individual and not a number.**

We love how friendly and helpful the whole staff is. Banking local has made all the difference for us.”

—Lauren & Jason Martin

30724



The Board and Staff of Palmetto First Federal Credit Union, along with our members, would like to extend heartfelt sympathy to the friends and families of...

**Mamie Lyde, Earl Lytch, Emmaline Matthews, Veron Nettles, Levern Pooler, Susan Schmidt, and Floyd Williamson**

...all valued members of your family and ours.

*We regret that our updated system no longer notifies us of a member's passing. We appreciate your assistance in bringing the names of those who have passed to our attention.*

*In Sympathy*

## Holiday Closings

**Martin Luther King Jr. Day**

Monday, January 18

**Presidents' Day**

Monday, February 15

## Secret Numbers

There are several account numbers hidden within this newsletter. If you find yours, call the credit union and claim your **\$25 prize!**

## Branch Locations

1722 Gregg Avenue  
Florence, SC 29501

108 Pamplico Highway  
Florence, SC 29505

## Mailing Address

P.O. Box 3989  
Florence, SC 29502

**PALMETTO FIRST**  
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**843.669.5619**

**PALMETTOFIRST.COM**

This credit union is federally insured by the National Credit Union Administration and is an Equal Housing Lender.