

STATELINE

ARIZONA STATE CREDIT UNION

FIRST QUARTER 2014

NEW YEAR, NEW YOU

Simplify Your Life with Spending Cuts

It's a new year and you're looking to turn over a new leaf. Maybe you'll try a new diet or will commit to taking kickboxing classes at the gym. Whatever it may be, it will be a decision to improve your way of life. However, not all resolutions relate to physical and mental improvement. Have you thought about resolving to improve your financial well-being? By following these tips, your New Year's resolution to simplify your financial life will pay off throughout the year.

Determine your net income. It is important to know exactly how much money you are making. Many people make the mistake of only looking at their gross income. Gross income is the total amount of money you have made before taxes have been taken out. Net income is the total amount of money you take home after taxes, insurance and other fees have been deducted. Once you know your net income, it is much easier to determine how much you can spend.

Create a budget sheet. After calculating your net income, create a budget sheet. A budget sheet is useful in determining what your necessary expenses are. Necessary expenses include housing, utilities, car payments, food, gas and medical expenses. Divide your net income accordingly into those necessary categories and determine



how much money you will need to devote to each necessity. If you have funds left over, that is disposable income that can be used for alternative purposes.

Prioritize spending. Learning to manage your disposable income is the key to prioritizing your finances. Would it be best to purchase that new TV or put the funds into your share account? There is no wrong answer, but to ensure your financial security, it is important to set aside a portion of your disposable income from every

paycheck. Saving a portion of this income will allow you to fulfill your wants now while saving for future needs.

Keeping these factors in mind will turn your New Year's resolution into a healthy financial habit. To learn more about additional ways to manage your funds, speak with one of our financial advisors at 877.566.0517 or visit us online at azstcu.org.



Looking Toward 2014



David E. Doss
President/CEO


Another year has passed, and now we are looking to the future and to what 2014 has to bring. With the holidays behind us, resolutions are being made to improve our lives in some way. Maybe you are determined to

become healthier, or perhaps you are going to spend more time with family. You may also be considering ways to ensure your financial future. While the Credit Union cannot help with your family and fitness goals, we are there for you to ensure your finances are in prime condition.

As a local financial cooperative, we exist to serve members who live and work in Arizona. We are owned and controlled by our members, meaning that the money you put into the credit union stays in your community rather than going to shareholders in other states. By keeping your money local, you are ensuring the future of fellow Arizonans.

As part of our commitment to help our members meet their financial goals, the Credit Union offers many products and services that are tailored to the needs of our members. Because we are a cooperative, we offer products and services that allow members to make the best financial decisions for their situations. With our competitive lending rates, including mortgage, auto and credit cards, the Credit Union is determined to work with you and for you to help you meet your financial needs.

In addition to our competitive lending capabilities, we consider it our responsibility to assist you in saving for the future. We offer a variety of savings plans to ensure that you will have funds for those rainy days. Among our many plans is the *YourSavings* account, which allows you to earn dividends on small balances. We believe that a little goes a long way, and every dollar you save is a dollar earned. The Credit Union has a dedicated team of financial advisors who are here to assist you with building retirement funds and to answer questions regarding saving for retirement.

Resolve to improve your financial wellbeing this year. As your local financial cooperative, we are here to assist you in this endeavor by providing you with the products and services that will help you build your credit and save for rainy days. 


HOME EQUITY

Renovate Your Life and Budget with a Home Equity Line of Credit

The holidays have come to a close, and now it's time to focus on replenishing your finances. However, with the new year, there will be new expenses. How will you be able to pay for that new car or consolidate debt? Arizona State Credit Union has a solution for you.

If you're looking to continue to build credit and not break the bank in the process, a Home Equity Line of Credit (HELOC) may be just right for you. A HELOC is an unsecured line of credit drawn on the equity in your home that can be used for a number of different purchases, including home renovations and debt consolidation. With low annual percentage rates and minimal interest charges, a HELOC is a great way to secure your financial future while meeting your needs today.



Arizona State Credit Union's HELOC provides you with a fast and secure way to responsibly make your purchases without the hassle of holiday debt bogging you down. Open a HELOC today by calling **800.671.1098** or stop by one of our 21 convenient statewide locations today. To learn more about other credit products, visit us online at azstcu.org. 



63RD ANNUAL MEETING

Since 1951, Arizona State Credit Union has been serving the needs of Arizona residents. We invite you to register and join us for our Annual Business Meeting.

Date: April 22, 2014
Location: Arizona State Credit Union
 Corporate Headquarters
 2355 W. Pinnacle Peak Road
 Phoenix, AZ 85027
Program: Registration 6:00 p.m.
 Business Meeting 6:30 p.m.
To Register: 800.671.1098



YOUR SAVINGS

Saving for Short Term vs. Long Term: *Your Best Product*

With the heavy gift giving season behind us, it's time to start saving. If you're saving for either the short or long term, use the guide below to determine the best way the Credit Union can help you save.

Saving in the short term

If you are looking to save funds in the short term (less than 12 months), putting your funds into a savings account would be the best way to earn dividends on your balances. With a *YourSavings* account with Arizona State Credit Union, you can earn 1.00% APY¹ on balances up to \$1,000 – a great way to see the results of your saving efforts, along with no monthly maintenance fee if you have regular monthly transfers. With a savings account, your funds are readily accessible and you do not have to pay any fees to draw on those funds. The money is there for you to use whenever you

choose. You only need \$5 to get started. Open an account today and start earning dividends on your balances.

Saving in the long term

If you have no foreseeable immediate need to access some of your funds, a share certificate is a great way to earn higher dividends. A share certificate is opened on a set term² between 3-60 months and can be automatically renewed at the end of the current term. Rates vary based on prime and current market rate, but are typically higher than the Regular Savings and Money Market Accounts offered by the Credit Union. To open a share certificate or to learn about current rates, visit us online at azstcu.org.

Take the guesswork out of saving and speak with one of our associates today at **800.671.1098** to get started. ⚡

¹ APY=Annual Percentage Yield. Minimum balance to open an account is \$5.00. Minimum daily balance to earn the stated APY is \$100.00. Daily balances of less than \$100.00 will not earn dividends. The APY will be calculated by applying one or more Dividend Rates to multiple balance ranges. The Dividend Rate for each balance range will apply to your account balance within each particular deposit balance range and not the entire account balance. You must enroll in Direct Deposit or a regular monthly transfer and online statement or pay \$5.00 per month. There is a limit of one (1) *YourSavings* account per primary member. Fees could reduce earnings. We may offer other rates in the future.

² Penalty for early withdrawals may apply.

AUTO DIRECT

Take the Hassle out of Car Buying with Arizona Auto Direct¹ Buying Service

You're in the market for a new vehicle, but finding that perfect car requires a hefty time commitment. From browsing websites, reading user reviews, speaking with service representatives to perusing hidden corners of the world to learn every detail, you're not sure if you're ready to dive in just yet. Your time is valuable – why not let someone find your dream car for you?

Simplify Your Auto Purchase

Arizona Auto Direct auto buying service, available only to Arizona State Credit Union members, is the hassle-free way to buy your next vehicle, or even trade in your current one. This online service allows you to choose your make, model and options for new and pre-owned vehicles. Arizona Auto Direct takes the guesswork out of your auto purchase experience by guiding you every step of the way.

An Auto Buying Specialist will guide you from start to finish – from finding your perfect vehicle to delivering the car. With access to hundreds of suppliers – as well as retail, rebate, fleet and dealer incentives, you're also sure to get the best deal.

Experience What Arizona Auto Direct has to Offer Today

Get started with Arizona State Credit Union's quick and easy online pre-approval process and then start shopping at azstcu.org. After you view photos, prices and mileage, you can take your low rate loan and make a deal on your perfect car. To speak with your personal Auto Buying Specialist, call **877.351.1010**. ⚡



¹ Arizona Auto Direct is an independent company not owned by Arizona State Credit Union.



NEW YEAR, NEW YOU

Rolling Over: The Benefits of Consolidating Your Assets

If you've recently changed jobs – or maybe changed jobs a few times over the years – you may be juggling multiple retirement plan accounts. While it's certainly acceptable to leave your money in your former employer's plan (as long as your balance is over \$5,000, your old employer can't cash you out), in many instances it might be a better idea to consolidate your assets.

Consolidation can help make administering and allocating your assets much simpler.¹ Having your entire retirement portfolio summarized on one statement makes it easier to track performance and make changes.


But before you initiate a rollover, be sure to compare the investment options and their associated fees in your old plan with those in your new plan.

- Were you able to properly diversify your assets in your old plan?¹ If your investment choices were limited, you probably want to move your old account into your new account.
- Are the investment fees higher or lower than those in your current plan? If you were paying more at your old plan, it's a good reason to move your assets to a plan with lower investment fees.
- Are you satisfied with the investment choices and fees charged in your current plan? If you're not happy with your current plan – and weren't crazy about your old plan – you can always roll over your old plan assets into an IRA.

Initiating a rollover is easy. First, check your current plan rules to confirm that rollovers are permissible (the vast majority of plans accommodate this feature). Then contact the administrator of your old plan (you can find this information on your quarterly statement) to get the ball rolling. Some plan providers have a simple online request process, while others require completion of a paper-based rollover form. Your current plan provider or IRA provider may even furnish a rollover service for you.

It's also important to know the difference between a rollover and a distribution. A rollover allows you to transfer your money from one qualified retirement account to another without incurring any tax consequences. A "qualified" account can be either your new employer's plan or a rollover IRA.

A distribution is essentially a withdrawal from your account. If you request a distribution, the account administrator is required by law to withhold 20% of your account balance to pay federal taxes. State taxes, if applicable, are also due. If you are under age 59½, you will probably be hit with an additional 10% federal tax.

If you have specific questions about your retirement plan distribution options, contact your employer's benefits coordinator or your LPL Financial Advisor located at Arizona State Credit Union. 

¹ Asset allocation and diversification do not ensure a profit or protect against a loss.

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Win a \$50 Gift Card!

We want to hear from you!
Complete this survey at the link below and be entered for a chance to win a \$50 gas card.

www.azstcu.org/survey

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Working as One