



# MONEY WISE



A Publication of Consumer Credit Counseling Service of Fayetteville  
With Branch Offices in Central and Southeastern North Carolina

Krista Guin, Editor

April—June 2007

## Americans are Spending Everything They Make

In 2006, our savings rate fell to its lowest since 1933. Last year we spent everything we made and then spent our savings, pushing the personal savings rate to the lowest level since the Great Depression more than seven (7) decades ago.

The cornerstone to wealth is learning to live within your means. The following is a simple formula:

- Earn \$100 and spend \$101 and you are in trouble
- Earn \$100 and spend \$99 and you are not in trouble
- That \$2 makes a world of difference

So why are we spending more than we make? Today there is a great deal of competition for a family's income. Each month, the average family writes

checks for rent or mortgage, childcare, and utilities. Combine these monthly expenses with outlays for transportation, food, clothing, tuition bills for children, student loan payouts, and expenses for the care of aging parents, and families are left with limited discretionary income.

When deciding how to allocate discretionary income, families are faced with strong and persuasive messages that encourage them to spend their money. Having ample savings is synonymous with being able to experience an effortless retirement. Saving at least ten (10) percent of your annual salary for retirement is recommended, but the older you start saving, the more you'll need to save. If you start at fifty (50), you may need to put away thirty (30) percent a year,

and still postpone retirement by a few years.

The key to getting started is to pay yourself first. Savings should be a regular part of your financial routine, along with paying your bills. Divert even a small amount of money from each pay check through direct deposit into a savings or an investment account.

The bottom line is that we need to spend less than we earn. This plays counter to our culture with its value of consumption and instant gratification, but it's the rule that will pay off in the long run.

Patricia Tyson,  
CCCS Director

## Announcements

### Financial Literacy Day 2007

April is National Financial Literacy Month, and Consumer Credit Counseling Service of Fayetteville is offering several opportunities during this month for members of our community to broaden their knowledge on money matters. The highlight of the month will be "Financial Literacy Day" in Fayetteville on April 21<sup>st</sup>, 10am - 4pm at the Kiwanis Recreation Center, 352 Devers Street. We have invited financial institutions and local sponsors to participate in this day's activities. Participants will be provided information on the following:

savings and checking accounts, budgeting, credit & identity theft, homeownership, investments and financial planning, insurance and long-term care, mortgages (includes reverse mortgages for seniors) and foreclosure prevention. There will be food & entertainment from some of our local talent groups. Mark the date on your calendar and plan to attend this exciting event!!!!

### Foreclosure Prevention

Are you behind in your mortgage payments?

Do you know someone who is behind?

Are you struggling to make your mortgage payments?

For a limited time, CCCS has grant funds available that allows us to provide **FREE** mortgage default counseling to those who need it. Let's get the word out: Anyone who is one, two, three or more months behind is eligible. Call 910-323-3192, ext. 21 or 888-381-3720 to schedule your appointment today!

## Congratulations!

**John Colvin, Jr. & Mike Young-** Both John and Mike passed their Reverse Mortgage Exam during the month of March. They are now Certified Reverse Mortgage Counselors. John is from our Green Street Branch Office in Fayetteville and Mike is from our Wilmington Branch office.

**Jillian Pomeroy** - Jillian was hired on December 11, 2006 as the receptionist for the Coastal Carolina Branch Office in New Bern. Congratulations Jillian, and welcome to the CCCS family!



CCCS Director  
Patricia Tyson

### Management Staff

Esther Acker, Community Education & Outreach Coordinator  
Dianne Bright, Accounts Manager  
Sonji Holmes, Administrative Assistant Supervisor

### Counselors

John Colvin, Jr., Marilyn Fields,  
Amy Kemp, Paul Lincoln,  
Rosey Clarke-Mace,  
and William Young

### Administrative / Support Staff

Josephine Gainey, Krista Guin,  
Mary McCormick, Rolanda Nelson,  
Jillian Pomeroy, and Rebecca Tew

**Personal Finance**

*Does it Make Sense to Make Extra Payments on Your Mortgage?*

When making any financial decision you need to make sure that you are optimizing your money.

Make sure that you are paying off your highest interest rate debt. If your mortgage rate is seven (7) percent and your tax rate forty (40) percent, then your net mortgage rate is really only 4.2%. If you have any credit card debt or other debt that is higher than this rate (auto loan, boat loan, student loan, etc.), it might make sense to pay that debt off first. Alternatively, if you thought you could invest the money and receive a return greater than your mortgage rate, that would also be a reasonable alternative to paying down your mortgage.

Patricia Tyson, CCCS Director

**Invest In Your Future**

Find the following words in this fun word search. Words can be found horizontally, vertically, diagonal and backwards.

w	o	t	l	t	o	y	a	n	i	i
u	o	y	w	s	s	e	c	c	u	s
k	s	r	r	e	n	n	r	h	p	c
n	c	a	k	v	s	o	e	e	e	v
a	r	l	v	n	w	m	n	c	s	y
b	c	a	a	i	o	d	n	k	t	c
o	u	s	e	c	n	a	n	i	f	m
r	n	d	n	v	w	g	r	n	u	e
r	k	i	g	o	a	u	s	g	t	t
o	s	a	l	e	c	s	g	f	u	o
w	m	l	s	e	t	i	d	e	r	c
n	a	e	s	n	e	p	x	e	e	n

- allowance
- bank
- borrow
- budget
- checking
- credit
- earn
- expense
- finance
- future
- income
- invest
- money
- salary
- save
- savings
- security
- spend
- success
- work

**The CCCS Calendar**

Payment Received By (Mondays)\*

Weekly Disbursement On (Thursdays)\*

April	April
2	5
9	12
16	19
23	26
May	May
April 30	3
7	10
14	17
21	24
25	30
June	June
4	7
11	14
18	21
25	28

**Workshop Schedule**

**April**

- 02 Understanding Credit (Pate Room HQ Library) (6:30-8:30 pm)
- 05 Financial Management for FTAC (9-10am)
- 10 Intro to Spending Plans, CBI, FTCC (10 am-Noon)
- 13 Programs & Mortgages for 1st Time Homebuyers, Ft Bragg (1-4pm)
- 14 Personal Financial Management (Pre-Discharge Bankruptcy) (9am-Noon)
- 16 Credit Fraud & ID Theft, Aspire Leadership (12-1pm)
- 16 Newcomers (DSP Clients), CCCS Office (5:30-7pm)
- 19 Financial Management for FTAC (9-10am)
- 20 Agency Staff Training (10am-3pm)
- 21 FINANCIAL LITERACY DAY, Kiwanis Rec Center (10am-4 pm)
- 23 Money Mentor, 2 Days (9am-Noon)
- 27 Financial Literacy Display at Ft Bragg North Post PX (10am-2pm)
- 28 First Time Homebuyers Workshop, Seabrook (9am-4pm)

**May**

- 02 Understanding Credit FTCC (6:30-8:30pm)
- 03 Financial Management for FTAC (9-10am)
- 12 Personal Financial Management (Pre-Discharge Bankruptcy) (9am-Noon)
- 17 Financial Management for FTAC (9-10am)
- 17 Personal Financial Management (Pre-Discharge Bankruptcy) (6-9pm)
- 18 Agency Staff Training (10am-3pm)
- 19 First Time Homebuyers Workshop (9am-4pm)
- 21 Money Mentor, 2 Days (9am-Noon)
- 21 Newcomers (DSP Clients), CCCS Office (5:30-7pm)
- 31 Financial Management for FTAC (9-10am)

**June**

- 08 Agency Staff Training (10am-3pm)
- 09 Personal Financial Management (Pre-Discharge Bankruptcy) (9am-Noon)
- 14 Financial Management for FTAC (9-10am)
- 18 Newcomers (DSP Clients), CCCS Office (5:30-7pm)
- 21 Personal Financial Management (Pre-Discharge Bankruptcy) (6-9pm)
- 25 Money Mentor, 2 Days (9am-Noon)
- 28 Financial Management for FTAC (9-10am)
- 30 First Time Homebuyers Workshop (9am-4pm)

*Exceptions may apply due to holidays, inclement weather and other unforeseen circumstances.*

**Neighborhood Financial Care Centers**

- Fayetteville, Green St. (910) 323-3192 (888) 381-3720**
- Fayetteville, PFCU (910) 487-0056 (888) 381-3720**
- Goldsboro (919) 751-3868 (888) 464-1060**
- Lumberton (910) 671-4502 (877) 671-4502**
- Smithfield (919) 464-2492 (877) 870-4877**
- Sanford (919) 776-2101 (877) 686-2101**
- Coastal Carolina (252) 638-6133 (877) 261-8619**
- Southern Pines (910) 246-3288 (877) 868-3288**
- Kinston (252) 522-8004 (866) 522-6792**
- Wilmington (910) 332-8957 (888)252-1629**



**MEMBER**  
*People Who Care*