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the latest

Money Smart Month KC in April

Kicks off with Money Smart Day - April 1st

Come join us for the ninth annual Money Smart Day which takes place on **Saturday, April 1** from 10am-2:30pm at the Kansas City Public Library, 14 West 10th Street, Kansas City, Mo. It is presented by the Federal Reserve Bank of Kansas City in conjunction with Money Smart KC. A dozen free sessions and programs on personal finance will be offered - Central Bank of KC will be presenting an informative session on **Top Personal Finance Apps**. Besides the sessions you can access a free copy of your credit report and review with an expert, visit the resource tables and enjoy the Children's Learning area. Schedule at a Glance.

This is a great kickoff to Money Smart Month KC with over 70 public events throughout the month of April. For more information visit the Money Smart KC website. Besides finding great events, the MSKC website also has 35 topics to help you *discover your opportunities to become Money Smart*.

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getting ahead

How to Make Your Money Work for You

You work hard enough — make your money start earning some money

Your nine-to-five job or career provides you with a solid stream of cash, but there's more money to be made. Here's how the money you already make can earn you even more all by itself.

Open a high-yield savings or checking account. The easiest way to start getting your money on track to make you more money is to place about six months' worth of living expenses in a federally insured high-yield checking or savings account, where it will generate more value just by being there.

According to Business Insider's deputy editor Libby Kane, a typical savings account offers an interest rate around 0.01 percent, while your classic checking account often doesn't come with any returns. But high-yield checking and savings accounts offer interest rates that exceed 1 percent, or 100 times more than you would get with a standard savings account or, especially, a standard checking account. This is a smart option because in a checking or savings account, your money is still liquid and easily accessible if and when you need it. All you have to do is put in a little time to research the options of where these high-yield accounts may be available.



Develop avenues of passive income. Investopedia states that the technical definition of "passive income," as outlined by the IRS, is "net rental income and income from a business in which the taxpayer does not materially participate."

Passive income can be anything from investing in real estate to being a silent partner in a business to making YouTube videos and using affiliate marketing on your blog.

"Creating any streams of passive income requires an investment upfront, whether of your time or money, but can lead to huge payoffs later," explains Kane and Associate Editor Emmie Martin in Business Insider.

Store it in retirement accounts. Certified Financial Planner (CFP) Sean Gould suggests saving as much as possible in a 401(k) so you can take advantage of any available employer matching, as well as the tax efficiency of retirement accounts. And don't forget about any 401(k)s you might have from previous employers — keep a close eye on them or roll them over to your current plan to avoid losing out on free money.

Invest in the stock market. CFP Gould explains to Kane and Martin that you don't have to play the

market timing game to make money; any dips and fluctuations tend to even out over time. However, Gould advises against having more than three to six months sitting in cash, as inflation will eat away at your cash if you leave it sitting in comfort.

Open a credit card with useful rewards. While using a credit card may not seem like an effective way to put your money to work, if your card offers cash back or rewards that are legitimately useful to you, each dollar you charge is pulling double duty. The trick is to make sure you are financially sound enough to pay off the credit card bill in full each month to avoid accruing interest charges.

Get a professional degree or certificate. You don't necessarily have to attend grad school to make yourself worth more in the job market. Even attending seminars, classes and professional workshops is a way to build your resume and make yourself more marketable as an employee.

What is great about the above six methods is that you don't have to be a financial genius to implement them. Try one today and get that money working for you.

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business banking

What Lenders Look for in a Small Business

Tips for scoring the best small-business loan

Lenders look at many different factors when considering whether to approve a small-business loan application and, if approved, the amount to give. Some of these are concrete numbers, like your credit score, and others are more ambiguous, such as your character.

Although each lender may look at the complex puzzle of your application from a different perspective, there are common criteria that all lenders take seriously. These common criteria are frequently referred to as the five C's.

The five C's refer to credit score, capacity, collateral, capital and character. The meaning of "credit score" is obvious enough, but what might not be obvious is the fact that you don't have to wait to build up a long and strong business credit history before you can adequately impress lenders.



"The reality is that business credit is very rarely evaluated. Unless the owner has been in business for more than five years to establish business credit (and even then ...), most lenders will look at the owner's personal credit score," according to Forbes contributor Brock Blake. "To lenders, a business owner's personal record of financial management is just as important as [his or her] business'[s] record."

Along with credit score, capacity is another one of the C's that refers to a cold, hard number. It refers to your business's revenue, either on a monthly or annual basis, which can help lenders determine how much you can reasonably pay back and whether your desired sum seems in line with the size of your business.

The C that stands for "capital" is sometimes referred to as "cash flow," but regardless of how you phrase it, it is one of the most important of the C's. The ability to manage your cash flow and have sufficient cash on hand to cover your regular expenses is one of the strongest indicators of future success, so make sure to adjust your operations to develop a healthy cash flow and describe how you have done so in your business plan.

Whether or not a lender requires collateral depends on the size of the loan and how well you perform in the other C's. The higher your credit score and capacity, the less chance that significant collateral will be required; nonetheless, very large loans may require collateral from even the most qualified borrowers. A business loan obtained with collateral is referred to as a secured loan. If you don't have assets that can be used as collateral, or you are seeking another alternative, you may be able to

obtain an unsecured business loan, but it is important to keep in mind that “unsecured” does not mean that you don’t put any of your personal assets at stake.

“So although ‘unsecured’ business loan is a bit of a misnomer, you still can take out a business loan without tying it to a certain piece of collateral, which is good news for new entrepreneurs,” according to Forbes contributor Jared Hecht. “If you don’t have specific assets to collateralize, there are [two] ways to get a business loan: signing a personal guarantee and accepting a lien on your business.”

So while you begin your preparations to speak with your lender and present your loan application, keep the five C’s in mind and you’ll be sure to understand the lender’s perspective and anticipate the best ways to impress.

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news & events

Serving Dinner at St. James Community Kitchen

Central Bank Staff Volunteers

Community Outreach is a priority for Central Bank of Kansas City. Each year, staff at the bank serves meals, donates gifts and contributes to non-profits as part of the Harmon-Huwaldt Project. Besides the Harmon-Huwaldt Project, the bank is also heavily involved in bringing financial education to the urban area through programs like Money Smart KC, Teach Children to Save and Junior Achievement. Two staff members also participate in Lead to Read – an organization that pairs up adult volunteers with children in a classroom to read together for 30 minutes during their lunch. We volunteer in a second grade classroom at Phillips@Attucks Elementary School during the entire school year. This year will mark the third year for the Harmon-Huwaldt project, tenth year with Money Smart KC, and the sixth year with Lead to Read.

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lifestyle

4 Best Hulu Originals to Binge-Watch

These Hulu original shows are perfect binge-watching entertainment

The world of television has certainly changed during the last few years. An increasing number of viewers have stopped watching television shows in a traditional manner. Instead, they have turned to the internet and streaming websites. In fact, several streaming services, such as Netflix, have created original television series of their own, which have garnered quite the audience.

Netflix is not the only streaming site to produce original content. Hulu also produces several series for its viewers to enjoy. The next time that you sign into Hulu, consider watching these Hulu originals.

“The Path”

Following his breakout role in AMC’s “Breaking Bad,” actor Aaron Paul turned to Hulu for his next big drama. “The Path,” starring Paul, as well as Michelle Monaghan and Hugh Dancy, centers on a spiritual cult known as Meyerism. Paul’s character, Eddie Lane, suffers from a crisis of faith that causes him to question some of the more unsavory aspects of the Meyerism movement. “The Path” blends deep character exploration with thrilling suspense. If you finish the first season and are left wanting more, Hulu already has a second season of “The Path” in production and on the way.



“Casual”

Although “The Path” has been a success for Hulu, the streaming website is better known for its comedies. The most successful original comedy on the streaming site is “Casual.” An unadulterated look at the world of modern dating, “Casual” stars actors Michaela Watkins and Tommy Dewey as siblings who get caught up in the hijinks of running an online dating website. “Casual” recently wrapped up its second season and is moving forward with production for a third season.

“Difficult People”

Another of Hulu’s most successful original comedy programs is “Difficult People.” Starring comedians Julie Klausner and Billy Eichner as washed-up comedians Julie Kessler and Billy Epstein, the duo find something new to irritate them in every episode. This sardonic humor seems to have worked out for “Difficult People,” which was recently renewed by Hulu for a third season.

“The Mindy Project”

Technically, “The Mindy Project” did not originally premiere on Hulu. The show’s first three seasons were broadcast by FOX. However, Hulu gave “The Mindy Project” a second chance after FOX cancelled its initial run. The sitcom, starring big-name comedian Mindy Kaling, seems to have found quite a bit of success in its new online format. Hulu not only created a fourth season of “The Mindy Project,” but also ordered a fifth season, which is currently streaming on the website.

The next time you are looking for a television program to binge-watch, you need only look toward Hulu and its collection of entertaining original programs. To learn more about Hulu and its streaming service, visit <http://hulu.com>.

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lifestyle

The Unsung Benefits of Listening to Music

Listening to music has some amazing benefits

Many people listen to music every day. From your commute to work in the car to your daily workout at the gym, tunes are always playing in some form or another. The music we listen to can have some surprising benefits that can affect you both physically and mentally.

Extra gym motivation

Exercise playlists can be essential to staying focused at the gym and getting a total body workout. Not only are the lyrics inspirational, but the Journal of Applied Science states that music can help boost workout motivation, enhance endurance and assist people in running faster. The power of distraction, from paying attention to the lyrics or music of a song, helps athletes not realize the extra effort they've put forward during their workouts, allowing them to run an extra mile or do a few more squats. Additionally, stationary bicyclists were found to have worked harder during a workout when the music is fast-paced and matches the rhythm of the cycling.



Reduced food consumption

A study completed in the psychiatry department at the University of Cincinnati College of Medicine found that those who listened to soft, calming music while eating under dimmed lighting ate slower and allowed the food they had eaten to digest more slowly. This meant that the participants ended up consuming less and became more mindful of the fullness cues within their bodies. This method combined with a finely tuned workout playlist could help you lose that extra holiday weight that's stuck around.

Improve mental acuity

Researchers have been studying the effects of listening to music while performing cognitive tasks for many years now and multiple studies have found that background music has some positive benefits on the results of these tasks. One study from Middlesex University found that the music allowed test takers to finish more questions in the allotted time and they subsequently got more of the answers right. Recent studies have fine-tuned this theory by suggesting that the music must first improve the test taker's emotional state, rather than simply playing any nondescript music in the background.

Relieve anxiety

A study completed at the Group Health Research Institute in Seattle, Washington found that listening

to music can have a similar effect on someone's anxiety as getting a massage to relieve stress. Over a course of 12 weeks, participants were subjected to a variety of relaxing techniques to reduce stress, including massage, thermotherapy and music, to see which would reduce depressive symptoms that were caused by anxiety. The results concluded that massage was not a superior method of relieving the aforementioned stress and that all methods had shown clinically important improvements. So the next time you're not able to get to a masseuse, try turning on some relaxing music.

Enhanced quality of sleep

According to a study done at the Semmelweis University Institute of Behavioral Science, listening to classical music for 45 minutes at bed time improved the sleep quality of the participants tested, including the reduction of anxiety and depressive moods among insomnia sufferers. Audiobooks were also tested during the study and were not found to have the same positive effects as those who had listened to music. When it comes to sleep, skip the audio book and go with Brahms instead.

Whether you prefer rock, classical or pop, any kind of music can have some serious positive benefits on your everyday life.

