



MARATHON COUNTY EMPLOYEES CREDIT UNION



www.mcecu.org

November 2004

Keep students' credit history blemish-free

Students are hot prospects for credit card companies, yet many will learn through trial and error about the benefits and dangers of credit. Make sure your college-age children get off on the right financial foot before they move out.

Credit card companies want to provide young adults with their first credit card. Many people keep the first card they get for several years, and card companies know that if the student can't pay, Mom or Dad will. But late payments can be costly, leaving a blemish on the credit record that could prevent the student from getting a loan, a job, an apartment, or insurance as a young adult.

Here are a few tips:

- Keep credit limits low. Card companies often start students at \$500 or \$1,000, but watch those over-the-limit charges. Keep track of how much has been spent. 5447
- Don't charge more than half your limit. Charging the full limit of your card can hurt your credit rating.
- Pay more than the minimum due. With interest charges, paying the minimum will not decrease the debt.
- If you owe on several cards, pay more on the cards with the highest interest rate first, while still making at least minimum payments on all the others.
- Have just one card. Some lenders see more open lines of credit as more potential debt and higher risk.

Odds & Ends

There are seven hidden account numbers in this newsletter. If your number is one of them, call 261-7680 to claim your \$5.00 prize. Good luck!

We have **2005 calendars** in the lobby for you. Stop in or call 261-7680 for yours. We have wall and pocket calendars available.

Did you know that your **family members can join**? Why not have all the members of your family join the credit union? We would love to have them as members.

Now Available: Your **debit card** is eligible for MasterCard® SecureCode™ - a free, new online security service to help **guard against unauthorized use** of your debit card online. The next time you shop online at a participating merchant, a window will appear asking you to confirm your identity and create a personal SecureCode™. Once enrolled, enjoy added peace of mind when you shop online. 4199

We will be closed on **November 25th** to allow our staff to enjoy Thanksgiving Day with their families. 4745

Mall of America Bus Trip

When:	Saturday Nov 13 th
Cost:	\$30
Depart:	6:30 am
Return:	11:00 pm
Includes:	"Meet and Greet", snacks & videos

Call 715 261-7680 or stop in the office to reserve your seat.

Is A “HELOC” Right For You?

With tax deduction potential and rates oftentimes lower than a personal or vehicle loan, it’s worth exploring! Plus, it’s pretty easy to qualify: If you own a home and have equity built up in your home, you may be eligible for a Home Equity Line Of Credit (HELOC).

Are you thinking about buying a vehicle, conquering those home improvement projects, paying for educational expenses, consolidating your loans . . . but don’t have the funds at your fingertips when you need them? Then a HELOC is right for you! **A HELOC works very similar to a credit card.** You have a pre-approved amount of credit, based on the equity you have built up on your home, and you can use it whenever you need it no matter how large or small the expense. Whatever your balance is will determine your monthly or bimonthly payment. Plus, the interest on your balance may be tax deductible (consult your tax advisor). 3723

Here’s an example of how using a HELOC for a non-deductible loan can actually save your money:

Vehicle, Credit Card, Personal Loan (Non-deductible Loan)	HELOC*
Annual Interest Paid: \$1,000	\$1,000
Tax Bracket: 25%	25%
Deductible Interest: \$0	\$1,000
Possible Tax Savings: \$0	\$250

* This is a simplified example. Consult your tax advisor for your tax rate and how this may apply to you.

We’re offering a special low HELOC rate of 4.75% APR on any new HELOCs opened or refinanced from other financial institutions. The benefits of having a HELOC include:

- Tax Deduction Potential
- Flexible Payment Options
- Simple & Convenient Fund Access
- Up To 100% Loan to Value 6662
- Special Low 4.75% APR Home Equity Rate!
- Automatic Loan Payment Option

Take advantage of the financial savings and great low rate your credit union HELOC can offer. Call 847-4732, or apply instantly online at www.connexuscu.org. Offer may end soon. Mention Code HELOC475-MCECU.

We provide a full array of Mortgage & Home Equity Products. Call for more details on any of our credit union products or services. 715-261-7685.

*4.75% APR is an introductory rate good through 4/1/05, then the rate will switch to the rate applicable at that time. Current HELOC rate as of 10/01/04 is 6.58% APR. Rate may increase after consummation. The maximum rate that could be imposed is 15.9% APR. Offer is eligible on new HELOCs or HELOCs refinanced from other financial institutions only. Offer subject to underwriting and may change at any time. Qualified loan amount is based on individual credit and loan to value. Marathon County Employees Credit Union is participating with Connexus Credit Union to provide its members with an expanded portfolio of Mortgage and Home Equity Products.

Election winners’ decisions will affect credit union members

Election Day is over on November 3rd. And now, those who take office have the potential to affect you as a credit union member. 1869

That’s because lawmakers are constantly being pressed to consider legislative changes that would affect credit union members. Right now, legislators in Wisconsin as well as Washington, D.C. are being inundated with attacks on credit unions by the powerful banking lobby. It seems for-profit banks just don’t like the better deals (i.e., competition!) that not-for-profit credit unions offer their members. Unlike for-profit banks that return earnings to stockholders, credit unions are not-for profit, so they return earnings to YOU – the member – through more competitive pricing and benefits such as **free financial education workshops, free first time homebuyer workshops, etc..**

The lawmakers we’ve sent to Madison and Washington will be faced with these ongoing attacks on credit unions. Lawmakers in at least five states have already been asked to consider legislation that would harm credit unions and their members – limiting their ability to add members, offer certain services or keep the state and federal tax exemptions they have as not-for-profit, member-owned cooperatives.

If banks persuade lawmakers to impose additional taxes on credit unions, for example, that would completely change credit unions’ not-for-profit orientation, and the increased cost of doing business would be felt by each and every credit union member. You’d feel the pinch in the form of increased loan rates, smaller earnings on accounts and the elimination of the free services credit unions commonly provide as member benefits. **Though no harmful bills have been introduced in Wisconsin, bankers have threatened to do so during the 2005-2006 legislative session.**

As you can see, what goes on in government has the power to directly affect the pocketbooks of credit union members.

What’s up with.....Joni

Here is one of my favorite fall recipes:

Easy Taco Dip

- 1 8ounce package of Philadelphia Cream Cheese
- 1 Large can of Hormel Chili –no beans
- 1 bag of shredded cheese

Spread the cream cheese on the bottom of a glass pie dish, add chili and top with cheese. Microwave to your preference. 1154

Eat with chips and share with others while watching the Packers win.

**Better Service is Always
a Better Value!**