

Newsletter

Have you signed up for our new Bill Payment Service?

You now have access to our *Free Electronic Bill Payment Service through Home Banking on our Web site at www.newelchfcu.com. Our Bill Payment Service will allow you to:

- Schedule multiple payments from the same screen
- Send Personalized Gift Checks with custom message
- Make Person-to-Person Payments
- Send/Receive Account-to-Account Transfers
- Make Donations
- Receive E-mail and Text Alerts
- Access our Support Call Center/Live Chat Feature

If you don't currently have access to Home Banking, log onto our Web site, print out the Home Banking enrollment form and send it to the credit union. We will set you up on Home Banking and then you will have access to Bill Pay. If you currently have access to Home Banking there is nothing more you need to do. Just choose the Bill Pay link at the bottom of your Home Banking page. If you have any question about this new service, please call the Credit Union and we will be happy to help you.

*Some fees may apply depending on the number of transactions preformed each month. Please see complete details in our disclosure forms when you enter our Bill Pay Site

IRA Fair Market Value

If you have an IRA (Individual Retirement Account) with the Credit Union, your December 31, 2010 Balance listed on your statement is the Fair Market Value that will be reported to the IRS.

Visa Gift & Travel Cards

The Credit Union has VI SA Gift Cards that are great for any gift giving occasion. VI SA Travel Cards are a reloadable card that can be used World wide anywhere VI SA is accepted. Stop by the Credit Union office to purchase yours today.

Check out our Great Loan Rates

New Vehicles-100% Financing
 4.99% APR - any term up to 84 mo.
 4.49% APR - any term up to 60 mo.
 3.99% APR - any term up to 48 mo.

Used Vehicles-(2007-2011)
 100% of NADA or appraised value
 5.74% APR - any term up to 72 mo.

Used Vehicles-(2001-2006)
 100% of NADA or appraised value
 5.99% APR - any term up to 60 mo.

Used Vehicles-(2000 & Older)
 100% of NADA or appraised value
 6.24% APR - any term up to 48 mo.

Secured Loans-(under \$10,000)
 Computers, Appliances, TV's, etc.
 -You must provide an invoice and serial number
 -Loan does not affect your signature loan limit
 7.25% APR - 24 mo. Term
 7.50% APR - 36 mo. Term
 7.75% APR - 48 mo. Term

Unsecured Loans
 7.25% APR - 12 mo. Term
 8.25% APR - 36 mo. Term
 8.50% APR - 48 mo. Term

BETTER CHOICE LOANS

This is an alternative to a payday loan. Unlike a payday lender the credit union offers a longer repayment period of 90 days, lower fees and lower interest rate. Applying is easy, and no credit check or collateral is required. Stop by the Credit Union for more details.

Planning for Retirement

The National Endowment for Financial Education (NEFE) has launched a new website, My Retirement Paycheck (www.myretirementpaycheck.org).

The website is a resource for Americans planning for retirement and is dedicated to helping consumers optimize their resources during their

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Holiday Hours:

The Credit Union will be **Closed:**
January 17 – Martin Luther King Jr. Day
February 21 – Presidents' Day

OFFICE HOURS

MON, TUES, WED 9am - 4pm
 THURS & FRI 9am - 5pm

BOARD OF DIRECTORS

Sharon Ballew	President
Robert Mong	Vice President
Robert Lewis	Treasurer
Howard Barnes	Secretary
Linda Cravener	2nd VP

CREDIT COMMITTEE

Edd Fisher
 Dave Kunselman
 Monna Hahn

OFFICE STAFF

Susan Maas, Manager
 Janeene Hesling, Assistant Manager
 MaryAnn Bender, Member Services
 Lori Utegg, Member Services
 Rhonda Keith, Collections

PO BOX 597
 115 CLAY ST
 NORTH EAST PA 16428
 814-725-8190, FAX 814-725-7301
www.newelchfcu.com

Your Savings Federally Insured to at Least \$250,000
 And backed by the full faith and credit of the
 United States Government

NCUA

National Credit Union Administration,
 a U.S. Government Agency

NORTH EAST WELCH FCU

Newsletter

“Golden Years”. The website covers eight retirement-related areas:

- Home and Mortgage
- Social Security
- Work
- Insurance
- Retirement Plans
- Pensions
- Debt
- Fraud

My Retirement Paycheck aims to help consumers make better decisions about retirement financial issues. “None of these decisions is made in isolation,” says Mary Hock, the strategic programs and alliances associate who helped develop the website. “The site uses a holistic approach to solving the problem of Americans not saving enough for their futures.”

NEFE is a private, nonprofit, nonpartisan and noncommercial foundation wholly dedicated to improving the financial well-being of all Americans. NEFE is committed to educating Americans on a broad range of financial topics and empowering them to make positive and sound decisions to reach their financial goals.

Managing Personal Debt

An important part of personal finance is how you manage your debt. Ideally, you would not have any debt, but in practice, most families do. It is not likely that most persons would be able to buy a car, a house, an education, or even major appliances without having to incur some debt. Sometimes, debt may actually be desirable, especially if you could borrow money at a low interest rate to make a high-interest investment.

Debt makes everything cost more. If you saw a sign in a store window advertising “Sale—Everything 25% Off,” you might be tempted to rush in and buy, buy, buy. But what if the sign said “Sale—Everything 25% More Than Marked”? That is just what happens when you pay for goods and services using debt. Moreover, you may be using debt without even realizing it.

Do not be fooled by 0% interest.
There is no such thing.

Debt means paying for things with other people’s money. Whenever you use a credit card, buy on convenient time payments, or take a loan, you are using other people’s money to make a purchase. In return for the privilege, the other people are entitled to payment (interest) for the money they lend to you. Do not be fooled by 0% interest. There is no such thing. Sometimes the interest is paid up front, hidden in a higher price for such a purchase (when you see such a deal, ask how much discount you can get if you pay cash up front). If there is no discount, read the terms very carefully. You may wind up paying all the interest after the term expires.

Debt is not bad, but you must use it wisely. To use it wisely, you need to understand it.

Personal debt comes in many forms. There is long-term debt, such as a mortgage on a home that may take 10, 15, 30, or (rarely) more years to repay. Intermediate-term loans such as a home equity loan or auto loan may be repaid in five years. Short-term loans such as credit card debt or personal loans are usually paid in three years or less.

Generally, the longer the term of the loan, the higher the interest rate (%) will be. The longer it takes to pay off the loan, the more dollars you will pay for the loan. For example, if you borrow \$1,000 and pay it back monthly over 24 months at 15% APR (annual percentage rate) compounded monthly, you will pay \$164 in interest, while the same loan amount paid back monthly over 120 months at only 5% APR would result in your paying \$273 in interest. So, a lower rate does not necessarily mean it will cost you less. Revolving credit, such as an unpaid credit card balance, can be even more insidious. If you pay only the minimum amount due each month, it may take years to get the balance reduced to zero. This is because credit card companies only require that you pay a very small fraction (2–3%) of the unpaid balance each month while charging you a high APR on the unpaid balance. For example, the same \$1,000 purchase made on a credit card with

minimum monthly payments at only 10% APR would have cost you over \$277 in interest after 5 years, and you would still have over \$275 in an unpaid balance.

All of this is not to suggest that you shouldn’t use credit; it just means use it wisely.

- Never use credit (debt) for anything you can purchase outright for cash.
- If you must use a credit card, pay the entire balance when you get the bill.
- Avoid impulse purchases. If you cannot pay cash, wait 24–48 hours before making the purchase—you may find that you didn’t need the purchase after all.
- If you have high-interest loans, consider consolidating them for a lower interest loan (but watch the term required to repay).
- If you cannot consolidate high-interest loans, then pay the higher-interest loans faster than the lower-rate loans.
- Never merely make minimum monthly payments on revolving credit accounts.

Even the best-intentioned folks run into financial difficulty. As a solution, there is always bankruptcy, but that is a last resort. Negotiate with your creditors for terms you can live with. If you cannot resolve credit and debt problems on your own, seek out professional help, such as a reputable consumer credit counseling agency—check with the Better Business Bureau in your area.

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	8			9			1
	2	9	8		1		
		8			5	7	
				7	9		4
9	6						2

The answer to this Sudoku can be found on our website at www.newelchfcu.com.