

# HORIZONS

WINTER 2012

A quarterly publication of East Idaho Credit Union

## We Need Your Help



The successful Operation of a credit union depends on the participation of our dedicated volunteers. If you (or another member you know) would be a great leader on East Idaho Credit Union's Board of Directors, consider a board member nomination. Please contact our Marketing Director Rory Kunz at [rkunz@eastidahocu.org](mailto:rkunz@eastidahocu.org)

## Mark Your Calendar

### Holiday Closings

1/02  
New Year's Day  
1/16  
Martin Luther King Jr.  
Day  
2/20  
Presidents' Day



## Join Us

The entire Credit Union benefits when members participate. That's why we invite you to attend East Idaho Credit Union's 77<sup>th</sup> Annual meeting.

All Members are equal owners of the credit union. Our annual meeting is an occasion for management and elected officials to report to you, the owners. It's an opportunity for you to learn about the credit union's financial position, products and services, current business issues, and goals. You'll meet face-to-face with the people who run East Idaho Credit Union.

Without your input, leaders can only guess what you and other owners want from your credit union. Please join us on **Thursday March 29, 2011 at 7:00 pm at the Hilton convention center** (on Lindsay Blvd in Idaho Falls) as we share the success of East Idaho Credit Union and hear from you, our members.

## Stop Worrying and Start Planning

For many people, a comfortable retirement is still an uncertainty: According to a recent Gallup poll, not having enough money for retirement is Americans' biggest financial worry.

To bulk up your nest egg and gain peace of mind, be proactive:

- **Start saving now.** The sooner you start saving, the better—your money will have more time to grow. Every little bit helps, even if you start with a small amount. From there, create a plan to increase the amount you save over time.
- **Calculate how much you'll need.** Retirement experts agree that you'll need at least 70% of your preretirement income to maintain your current standard of living in retirement. Take a test run with *East Idaho Credit Union's* online calculator ([www.eastidahocu.org](http://www.eastidahocu.org)).
- **Take advantage of your employer's plan.** Contributing to your employer's 401(k) or other retirement plan is an easy, automatic way to save. Find out how much you must contribute to get your employer match and how long you must stay in the plan to receive that money.
- **Leave your money alone.** It can be tempting to borrow money from your retirement plan for bills, children's college costs, or other expenses. But dipping into your nest egg leaves you open to withdrawal penalties and lost tax benefits. Avoid taking money out early to give your savings time to grow.
- **Visit East Idaho Credit Union's Investment Services.** We have (for your benefit) a certified financial planner here and ready to help with any questions you may have regarding your financial future.



# Are You Ready for a Loan?

Deciding when to take out a loan is an important decision. How can you tell you're ready?

"I won't buy a car until I can pay for it with cash," says Jess. She's 18 so she can legally sign for a loan now. But Jess doesn't want to be stuck with monthly payments while she's in school.

That means she won't be buying a brand new car. In fact, she might not buy a car at all, but take the bus instead. She's still thinking about it.

Is it when:

- You get a fantastic credit card offer in the mail?
- You just had your 18th birthday?
- You just got a job?

The answer isn't as simple as you think.

## "Congratulations...!"

You get a letter in the mail and it says:

*...You qualify for a \$5,000 loan immediately. Just fill in the enclosed card by...*

Wait! Proceed with caution!

True, you need to qualify, but that's just a basic step. It must not take much to qualify if they are sending these out with a misspelled name or to current resident.

Lots of offers congratulating you on qualifying will come into your mailbox—online and on land. They're not all in your best interest.

Start with your credit union. You already have your accounts there, have a history based on those accounts, and they have the authority to approve or deny your loan application.

## How Much Do You Make?

Many people have problems repaying loans. Not having enough income to handle the payments is the first reason. Failing to account for rising expenses is another.

Look critically at your expenses over the time you plan to borrow the money.

For example, are you moving from your parents' home into an apartment? You'll discover you're paying more than just the rent; unless you plan to give up food, toilet paper or warmth.

Ask yourself these questions to help you decide if you're ready to borrow money.

- Do I earn enough money to make loan payments?
- Will I have trouble paying my other expenses on top of the loan payments?
- Will I be able to maintain my current lifestyle and still make loan payments?
- Do I really need the item I'm borrowing the money for?
- During the course of the loan, is there any chance my income may decline?
- During the course of the loan, will my expenses increase?

## How Do I Get Approval?

Your credit union will approve your loan based on what is commonly known as the four "Cs" of credit. They are:

- **Character**—your willingness to repay. Determined from your reputation and your credit history. Do you pay your bills on time? Have you used credit before?
- **Capacity**—your ability to repay. Determined by looking at your employment and debt history. Do you have a job? Do you have other debts?
- **Collateral**—what you'll give up if you don't repay the loan. Based on something of value you agree to forfeit if you default on your loan. It can be a car, a savings account, or a certificate of deposit (CD).
- **Capital**—Your assets, or valuable items you own free and clear. What are you worth? Do you have other assets, such as a savings account, car, or CD that could be used to repay the debt?

Credit unions, and all legal lenders, must follow strict lending laws that regulate the process. One thing they have to do is set conditions for determining whether or not a loan is approved. They can't base their decisions on other factors. New laws protect you.

## The Bottom line

When considering a loan, learn as much as you can about what kinds of loans are available to you. Your credit union's web site can be a great resource for loan information.

Then, call your credit union and make an appointment to talk with a loan officer. For a first loan, face-to-face is the best way to go about getting the money you want or need.

The bottom line for taking out a loan is *responsibility*.

When you borrow money, do it with the intent to repay the loan in a prompt and punctual manner. Borrowing money is a privilege, not a right.

Once you earn that right, protect it by protecting your credit rating. Your credit history and a **good credit report** give you the ability to borrow in the future

## Savings Rates\*

APY\*\*

<b>Classic Savings</b>	
\$5 min.	.25%
<b>Savings Plus</b>	
\$1,000 min.	.20%
\$2,500 min.	.30%
<b>Insured Money Market</b>	
\$2,500 min.	.25%
\$20,000 min.	.45%
\$75,000 min.	.65%
<b>IRA</b>	
<b>Floating Account</b>	.65%
<b>Premier Checking</b>	
\$500 min.	.05%
\$2,500 min.	.10%
\$10,000 min.	.15%
<b>Golden Access Checking</b>	
\$500 min.	.05%
\$2,500 min.	.10%
\$10,000 min.	.15%

\* Anticipated annual dividend rates. All rates are subject to change without notice.

\*\* Annual percentage yield. Deposits are federally insured up to \$250,000 and Individual Retirement Account (IRA) deposits are insured up to \$250,000 by the National Credit Union Administration (NCUA).

All rates are shown as Annual Percentage Yield (APY). Early withdrawal of funds may affect the Annual Percentage Yield (APY) and a penalty may be imposed. Rates are set by the Board of Directors and are typically updated weekly. Online rate schedule may not reflect most current rate changes and are subject to change without notice. Please verify rates with your local branch for complete accuracy.

## Branches

### Idaho Falls Branch

865 S. Woodruff Ave.  
Idaho Falls, ID 83401  
208.523.9068

### Freeman Park Branch

1170 Science Center Dr.  
Idaho Falls, ID 83402  
208.523.9069

### Ammon Branch

3255 E. 17th Street  
Ammon, ID 83406  
208.528.5430

### Shelley Branch

418 W. Fir Street  
Shelley, ID 83274  
208.357.7680

### Rexburg Branch

412 Grand Loop  
Rexburg, ID 83440  
208.356.0191

### St. Anthony Branch

99 N. Bridge Street  
St. Anthony, ID 83445  
208.624.4352

### Dubois Branch

227 W. Main Street  
Dubois, ID 83423  
208.374.5574

### Arco Branch

302 W. Grand Avenue  
Arco, ID 83213  
208.527.3941

### Challis Branch

1307A Highway 93 S.  
Challis, ID 83226  
208.879.4545

### Salmon Branch

777 Shoup Street  
Salmon, ID 83467  
208.756.3329

### Call Center

208.523.9068 or  
1.800.727.9961  
Monday-Friday: 9am-5:30pm  
Saturday: 10am-2pm

