

Informant

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National Credit Union Day

On October 21, credit union members worldwide will join together to celebrate International Credit Union Day and this year's theme: *Local. Trusted. Serving you.* Do you remember why you chose Spokane Law Enforcement Credit Union to be your financial services provider? It may be among many reasons shared by the 186 million people in 97 countries who have also chosen credit unions, but it most likely has something to do with the common philosophy of people helping people.



Unlike most other financial institutions, credit unions are not-for-profit, democratically controlled, volunteer-run, member-owned cooperatives. They exist to serve their members, and that level of service remains high even during the toughest times

This year's theme celebrates the advantages of credit union membership. *Value, Trust* and *Service* are just some of the many benefits of being a credit union member. Please join us in the credit union lobby all week for coffee and cookies in celebration, October 18 – 22, 2010.

What makes credit unions unique?

- Equal Ownership – Credit unions are democratically controlled and member-owned and operated. Each member has equal ownership and one vote regardless of how much money he or she has in savings.
- Not For Profit – Credit unions are not-for-profit financial cooperatives that provide a safe, convenient place for members to save money and access loans and other financial services at reasonable rates.
- Social Purpose: People Helping People – Credit unions exist to serve their members, not to make a profit. Every member counts, including those of modest means. This “people-first” philosophy impels credit unions and their employees to get involved in their community and support worthwhile causes.
- Volunteer Leadership – Each credit union is governed by a volunteer board of directors elected by and from the credit union's membership.
- Financial Education for Members – Credit unions place particular importance on educational opportunities for their members and the public to help everyone become better educated consumers of financial services.
- Trust – This year, more than ever, credit unions have received positive press for being trustworthy and resilient institutions during a tumultuous time. Credit union members worldwide can be proud of these accomplishments and rest assured that their money is safe at the credit union.

Platinum Lending



*As low as **3.99%** apr

On any new purchase or refinance from another financial institution of your New or Used vehicle loan!

We are very “Excited” to share with you our results after one full year of our successful “Platinum Lending Program!” That's 266 loans in the books, equaling \$3,417,455.49 in total loans and an average loan amount of \$12,889.62! Members are now enjoying great interest rates, many new services and fast, friendly service from a staff that cares about each and every member!

We customized our “Platinum Lending” program to reward members on how they have treated their credit in the past. The interest rate you receive will be based on your credit quality, your Fico Score (Credit score), with other incentives like the number of credit union services used. As we strive to be your Primary Financial Institution (PFI), it is only fitting to compensate each member for services they use like an active checking account, direct deposit, payroll deductions and automatic loan payments by affecting the rate you receive on your loan and saving you money.

To celebrate our success, purchase any new / used vehicle or refinance your existing vehicle loan from any other financial institution during October, November, December and we will enter you in a drawing for a Sony DCR-SX63 16GB flash memory Camcorder! Deadline is 12/31/10.



Proudly Serving: Members of Fraternal Order of Police living or working in Spokane County and Kootenai and Bonner Counties of Idaho.
 924 West Sinto, Spokane, WA 9920 • 509-327-3244, Fax: 509-327-2920
 CU*Talk (Audio Response): 509-324-0106 • Toll Free Number, Office: 1-877-550-3244



“Where everybody knows your name”

Credit Union

From the Desk of...

Planting Corn

The National Bureau of Economic Research Committee is a group of economists based in Cambridge, Mass., it's their job to declare when recessions officially begin and end. In the third week of September 2010 this panel of economists determined that technically the recession ended in June 2009, and had lasted for 18 months. The duration makes it the longest since World War II.

Since the recession began, 7.3 million jobs have disappeared and nearly 2.5 million homes have been foreclosed. Total unemployed Americans is at 14.9 million through August 2010. Unemployment is at 9.6 percent, but real unemployment is estimated at 16.6% by the Bureau of Labor Statistics, a unit of the Labor Department.

What is real unemployment?

"When underemployed and the discouraged are added to unemployment figures." This includes persons who are laid off and find work at lower pay, sometimes at a fraction of their past salaries. Persons who go from full-time employment to part-time work and part-time workers who want full-time employment. Individuals who go back to school in hopes that advanced degrees will improve their chances of landing jobs. It also includes self-employed workers whose incomes have shriveled. And lastly, people who have just given up looking for work because they don't believe work is available.

On August 14, 1935, President Franklin D Roosevelt signed into law the Social Security Act, which also created the unemployment-insurance program. Then President FDR stated; *"the purpose of the unemployment insurance was to give some measure of protection to the average citizen and his family against the loss of a job and lessen the impact of future depressions."* Just over \$6 million in Washington jobless benefits were paid out in 1940 to 78,000 claimants, compared to last year when 470,000 people collected \$4 billion in benefits in Washington State. Average weekly benefit checks were less than \$12 to maximum of \$15 in 1940, in 2010 the unemployed receive \$380 to \$570. Nearly 250,000 Washington workers were covered by the insurance program its first year, compared to 2.8 million today! Overall, \$28 billion dollars in unemployment benefits to 11 million workers since the system was created 75 years ago.

With all that being said, I don't know about you, but I'm sure that myself & 14.9 million other Americans didn't get "the memo" that the recession was over 15 months ago! Unfortunately, these difficult



Gary Jarvis - Executive Vice President

"it's like planting corn: you prepare the dirt, plant the seeds, fertilize, water and weed your garden"

times have affected many citizens in our local economy and members of our credit union. Through September 2010, fifteen members have filed for Bankruptcy Protection through Chapter 7 or 13; those filing may affect loans that total \$765,094. Many of those member filings have re-affirmed with the credit union with intentions to pay their debt obligation in full, while others will walk away.

While some consumers have experienced tough times due to loss of work or decrease in wages, others entered this recession unprepared. With decades of overspending by consumers, this recession has taught many that the "have to have it now" credit card shopping extravaganza has to come to an end; with national credit card companies lowering limits, raising interest rates and closing consumer's credit cards to manage their balance sheets and protect future losses.

Over the past twenty years working in a financial institution, my experience has helped me to distinguish the different ways consumers handle their finances and debt.

As you read the examples below, think about which one fits you or maybe where you would like to be:

Example one: Do you go through life thinking certain things are not in your control? Do you just roll with the punches? "Well tomorrow is another day, I'll deal with it then." The glass appears to be half empty!

Example two: Do you think all situations in your life will turn out positive? Reward comes with doing the right thing for yourself and others. You're ambitious, positive and forward thinking. The glass is half full!



In example number two in relation to your finances and life, it's like planting corn: you prepare the dirt, plant the seeds, fertilize, water and weed your garden with full intention of having corn-on-the-cob on your dinner table! Your positive thinking is that if I plant corn seeds, water and care for them "I will have corn." Individuals in example one are just not planting seeds or at least not watering them.

Your credit union has worked diligently to create products and services with you in mind; our new **"Platinum Lending Program"** is designed to assist all members with their lending needs. For members who need our assistance, our **"Financial Wellness Program"** is a free financial counseling service that will provide great guidance to future financial wealth and happiness.

In closing; the thought of this recession getting over soon is great, but if we need to take away some positive thoughts from this difficult period in time – "let's all plant corn;" pay down or off unwanted credit card debt, make wise vehicle purchases, avoid overdraft fees and late charges on loan payments with a balanced checkbook and organized bills.

Yours truly,

Gary Jarvis
gary@slecu.org

Financial Education Center

"YOUR ROAD TO FINANCIAL SECURITY"

Annual Percentage Rate: APR

The annual percentage rate, or APR, is the interest rate charged on the amount borrowed.

It reflects the annual cost of borrowing money. APR makes it easier to compare different loans and credit cards, because you can easily see which loan/credit card would be cheaper. For example, a loan with a 10% interest rate is less expensive than a loan with a 15% interest rate (assuming other things are equal).

Daily Periodic Rate: DPR

The daily periodic rate equates to your annual percentage rate divided by the number of days in the year. A non leap year is 365 days and a leap year is 366 days. Creditors may use the daily periodic rate in an average daily balance finance charge calculation. Refer to the example below to calculate your daily periodic rate.

Example: Annual Percentage Rate = 15.9%
15.9% divided by 365 = **.0436% (or .000436) DPR**

Loan Balance: \$20,000.00
Annual Percentage rate: 15.9%
Daily Periodic rate: .0436%

Below is the calculation to figure out the cost of credit you pay daily:

\$20,000.00 (balance) X .0436% (DPR) = \$8.72 Daily Interest Amount



Financial Literacy Quiz Answers

- (C) A credit report is a loan and bill payment history. It is kept by a credit bureau and used by financial institutions and other potential creditors to determine the likelihood that you will repay a future debt. Information in your credit report can affect your ability to get a job, a loan, a credit card, or insurance.
- (A) It stands for Annual Percentage Rate. The APR is a measure of the cost of credit, expressed as a yearly interest rate. Usually, the lower the APR, the better for you.
- (D) No one. Your investments in the stock market are not insured. Know the risks before investing in the stock market.
- False. The law does not require dealers to give buyers a three-day right to cancel. The right to return the car in a few days for a refund exists only if the dealer grants this privilege to buyers, but it is discretionary. Dealers may describe the right to cancel as a "cooling off" period, a money-back guarantee, or a "no questions asked" return policy. Before you purchase a new or used car from a dealer, ask about the dealer's return policy, get it in writing, and read it carefully.
- True. Your premium is based in part on the car's sticker price, the cost to repair it, its overall safety record, and the likelihood of theft. Many insurers offer discounts for features that enhance safety or prevent theft. These include air bags, antilock brakes, daytime running lights, and antitheft devices. Some states require insurers to give discounts for cars equipped with air bags or antilock brakes.
- (D) All of the above. Reverse mortgages allow consumers over age 62 to convert the equity in their homes to cash while retaining ownership. With a reverse mortgage, you receive money from the lender and generally don't have to pay it back for as long as you live in your home. In return, the lender holds some--if not most or all--of your home's equity.
- (A) The creditor has 30 days. The creditor must acknowledge your complaint in writing within 30 days after receiving it, unless the problem has already been resolved. The creditor must resolve the dispute within two billing cycles (but not more than 90 days) after receiving your letter.
- (C) 7 years. Accurate negative information generally can stay on your report for seven years; bankruptcy information may be reported for 10 years.
- (D) Points are fees you pay the lender for the loan. One point equals 1% of the loan amount. Points usually are paid in cash at closing. In some cases, you may borrow the money you need to pay points, but doing so will increase the loan amount and your total costs.
- True. The "Rule of 72" tells you how long it will take to double your money. To use the "Rule of 72," divide 72 by the interest rate you're getting. For example, if you deposit \$3,000 into an account with a 2% interest rate, divide 72 by two. The answer - 36 - tells you that you will double your money in 36 years; in 36 years, you will have \$6,000.



Members and families of
Spokane Area Credit Unions

You're Invited to a
SPECIAL EVENT!

Saturday, October 16 • 7 p.m. - 9 p.m.

*Exclusive After-Hours Event at Spokane Valley Costco,
Raffles and Door Prizes, Entertainment, Food and
Special Incentives to Join*

5601 E. SPRAGUE AVE • SPOKANE, WA 99212
VALUE | QUALITY | SAVINGS | WOW!

It's Me 247

With *It's Me 247* Online Banking, you can keep in touch with your credit union accounts any time, from any place life takes you! If you have a computer and a connection to the Internet, you can use *It's Me 247* Online Banking to check balances, transfer money, and stay connected with your credit union accounts around the clock.

Why *It's Me*? Because it's your credit union! You are a member... you are an *owner*. Whether you visit the credit union online or in a branch lobby, we want you to see yourself reflected in the credit union. With built-in security and personalization features, *It's Me 247* Online Banking lets you access your accounts *your* way.



CHRISTMAS CLUB

12 months 📅 **\$1200** 💰 **12% APY** 📈

Hours:	Lobby	Drive Thru
	Mon-Thurs	Mon-Thurs
	9am-4pm	8am-5pm
	Friday	Friday
	9am-5pm	8am-6pm

Holidays: Columbus Day, Monday, October 11th
Veteran's Day, Thursday, November 11th
Thanksgiving, Thursday, Nov. 25th, Friday, November 26th
Christmas Eve, Friday, December 24th • New Years Eve, Friday, December 31st



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