



EnerGComm

Federal Credit Union

...Your Interest Come First

No. 90

Butte Office: 2100 Harrison Avenue • Butte, Montana 59701 • (406) 782-2139

April 2003

Colstrip Branch: 421 Willow • Colstrip, Montana 59323 • (406) 748-2324

Congratulations, Patsy!

Patsy Dunfee, EnerGComm FCU's manager, has retired, effective March 31, 2003. Connie McNamara has been named manager.

A BIG Thank You to Patsy for all the years of great service to the staff and members of EnerGComm FCU.

We wish you the best!

Get EnerGComm's

Visa®

with a Low

9.9% APR

A Love-Hate Relationship: Teens & Credit

With credit card offers coming in the mail regularly— daily for some teens— it's hard to ignore the temptation. Credit cards offer increased spending flexibility, often with no introductory interest rate. A match made in heaven, right? So, what's not to love?

Well, after that introductory "honeymoon phase" your credit card rates will skyrocket, leaving you with anywhere from 13-23% interest rates. If you haven't been paying your monthly balance off in full each month, those rates will apply to all the purchases on your card, leaving you with a lot of debt, and nothing to show for it.

So, how do you avoid becoming a victim of the credit card trap? Start slowly with your first card. Don't spend more than you can afford to pay off each month. Then, avoid paying interest by making sure the balance is paid in full.

That way you'll enjoy the convenience a credit card can bring, but you'll avoid unnecessary finance charges and debt that never seems to end.

Before you get your first credit card, come see us at your Credit Union.

We'll work with you to set you up with a credit card that has an affordable interest rate, and we'll help answer any questions you might have about credit.



Hours

Uptown Butte Office

11:30 a.m. – 3:30 p.m. (M–F)

Harrison Avenue

Office: 8:30 a.m. – 5:00 p.m. (M–F)

Office closed every Tuesday

8:30 a.m. – 9:00 a.m.

Drive Thru: 7:30 a.m. – 5:00 p.m. (M–Th)

7:30 a.m. – 5:30 p.m. (F)

Colstrip Branch

8:30 a.m. – 5:00 p.m. (M–F)

Holiday Closings

Memorial Day— May 26

Independence Day— July 4



Visit us online! www.energcomm.org

Remember...

“CU@Home,” your Credit Union’s secure on-line financial service is now available. This wonderful service is great for viewing your account activity, including cleared drafts, ACH’s, or debit card transactions. You can check deposits and make transfers, too.

This is a great tool at tax time. Get online and view all your tax information for the past two years. Sign up for CU@Home at the Credit Union, on our web site, or by requesting a form by phone. Our web address is www.energcomm.org.



**Telephone
Teller**

**24-HOUR CU
ASSISTANCE**

800-879-8349



Last Minute Tax Tip

It’s April and “Tax Day” is just around the corner. For you early birds who have already filed (and maybe even received your refunds!), save this article for next year. If you’re one of the many still scrambling to gather your tax information, though, keep this in mind: The Internal Revenue Service (IRS) is encouraging qualified taxpayers to take advantage of a new tax credit designed to help low- and middle-income workers save for retirement. The nonrefundable tax credit, which will be available for tax years 2002 through 2006, provides a credit of up to 50% of the first \$2,000 contributed to IRAs, 401(k)s, and certain other retirement plans.

The credit is available for joint returns with adjusted gross income (AGI) of \$50,000 or less, head of household returns with AGI of \$37,500 or less, and single returns with AGI of \$25,000 or less. The individual also must be age 18 and older, not a full-time student, and not claimed as a dependent on another person’s tax return.

The credit is a percentage of the qualifying contribution amount, with the highest rate reserved for taxpayers with the least income. Joint returns with AGI of \$30,000 or less, head of household returns with AGI of \$22,500 or less, and single returns with AGI of \$15,000 or less will be eligible for the maximum 50% credit. Eligible taxpayers with incomes more than these levels will qualify for a credit of 10% or 20%, depending on AGI.

For more information about the credit contact the IRS at 800-829-1040 or www.irs.gov.

Do You Have Room To Improve?

It’s a tough choice for a homeowner: Move into a new house, or improve the one you have. It seems so easy to call a realtor and arrange a showing. But your current home has something no new home can offer— equity.

On average, homeowners spend 18 months planning home improvements. It’s time well spent; some renovations pay off better than others. Bathroom and kitchen renovations provide the greatest return, between 90% and 95%. Decks and home offices hold the low end, between 65% and 70%.

As you plan, look beyond your house to your neighborhood. Will renovations put you in a different league— and price range— than your neighbors? Also, keep in mind how long you’ll be in your house. If you’re going to fix it up and sell in six months, you’ll get all the pain of remodeling and not much gain. But if you plan to live in the house more than three years, it makes economic sense to remodel.

How do you calculate your available equity? First step: Say you made a down payment of \$20,000 on a house priced at \$100,000 five years ago. Since then, you’ve paid \$15,000 toward the principal, and the market value of your house has increased to \$115,000. The sum of your down payment (\$20,000), principal paid (\$15,000), and the increase in property value (\$15,000) gives you \$50,000 in equity.

Second step: Ideally, what you owe on your home—mortgage plus home equity loan—shouldn’t exceed 80% of your home’s value. So 80% of \$115,000 suggests, if you meet other lending yardsticks, you may be eligible for as much as a \$27,000 home equity loan (house is worth \$115,000; 80% of that is \$92,000; you still owe \$65,000 on the first mortgage; so \$92,000 - \$65,000 = \$27,000).

If you think your home has room for improvement, give us a call at 782-2139. We’ll get you set up with the home equity loan that is right for you.

