



EnerGComm

Federal Credit Union

...Your Interest Come First

No. 95

Butte Office: 2100 Harrison Avenue • Butte, Montana 59701 • (406) 782-2139
Colstrip Branch: 421 Willow • Colstrip, Montana 59323 • (406) 748-2324

July 2004

Debit Cards: The Next Step in Money Management

If your kids are beyond the excitement of putting coins into their piggy banks, how about moving on to some plastic? That's right, your teenagers might be ready for a debit card.

Debit cards are similar to credit cards in how they look and how you use them. But when you use a debit card, the money comes out of your checkbook instead of becoming a loan, such as when you use a credit card. By showing your teens how to be responsible with plastic now, you could be saving them from some poor money choices in the future.

"Plastic is all around you and you have to learn how to use it somewhere," says Dr. John Whitcomb, author of the Sink or Swim Money Program.

"Behind plastic, there's an account with real money in it. If kids don't learn that they're accountable for that money, and that there's a limit to that money, they're going to think of a credit card as a renewable resource—'every time I use it, mom and dad should pay it off,'" Whitcomb says.

If you think your teen is ready for a debit card, call or visit EnerGComm FCU today and one of our friendly staff members will be glad to help you.



Savings catch-up plan

Think your savings stash is "too little, too late?" Make up for lost time. Speed the growth of your nest egg with higher annual contributions to IRAs, and 401(k), 403(b), and 457 plans. If you're 50+, you can take advantage of extra "catch-up" provisions.

Savers age 50 and better have eight tax years (2003 to 2010) to speed the growth of their nest egg. How? With higher annual contribution amounts and extra "catch-up" savings:

Contributions to IRAs:

- 2003-2004 \$3,000 + \$500 catch-up for 50+
- 2005 \$4,000 + \$500
- 2006-2007 \$4,000 + \$1,000
- 2008 \$5,000 + \$1,000

Contributions to 401(k), 403(b) & 457 plans:

- 2003 \$12,000 + \$2,000 catch-up for 50+
- 2004 \$13,000 + \$3,000
- 2005 \$14,000 + \$4,000
- 2006 \$15,000 + \$5,000

Act now because the changes may not last.
Call your credit union for more information



Get EnerGComm's

Visa®

with a Low

9.9% APR

— Visit us online! www.energcomm.org —

Telephone Teller

24-HOUR CU ASSISTANCE

800-879-8349

Dateline NBC Praises Credit Unions

Last December, Dateline NBC put the car-buying business on the hot seat, and credit unions in the spotlight as an example of “how to do it right.”

Using a hidden camera, the show documented outright fraud in dealer-ships consisting of fast talk, forgery, and shady financing arrangements. A young woman trying to purchase a Ford Mustang was coerced by the car dealer’s finance manager into signing papers for a 10.9% loan. The woman later was accompanied by a consumer expert who helped her secure financing from her credit union at 4.9%. The cooperative and nonprofit status of credit unions enables them to pass savings on to members, resulting in lower rates and higher yields.

Remar Sutton, president of the Consumer Task Force for Automotive Issues, offered consumer survival tips in the car-buying process. He suggested skipping the dealership financing arrangements in favor of joining a credit union as the best option for a fair loan and honest answers. Other tips:

- Don’t feel pressured
- Don’t exceed your budget
- Don’t sign a mandatory arbitration agreement
- Don’t buy on your first visit to the dealership.

For more information, ask EnerGComm FCU for resources about car buying and financing options.

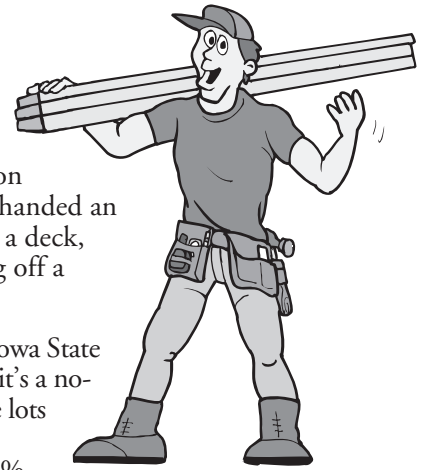
Need More Room? Consider Tapping Your Home Equity

One of the least expensive sources of borrowing these days is tied to the equity in your home. With exceptionally low interest rates on home equity lines of credit, consumers have been handed an ideal opportunity to tap that equity for adding on a deck, making repairs, consolidating debt, or even paying off a college loan.

Carol Roskey, professor and housing specialist at Iowa State University, agrees. “When you look at interest rates, it’s a no-brainer. If you have huge credit card debt, you’ll save lots of money if you take the line of credit and pay off debts. If you have a college loan and you got it at 7.5% and you have a house that’s gone up in value, use that money to pay off the loan.”

Over the past three years, the average rate on a \$10,000 home equity line of credit dropped about 5 percentage points, according to Bankrate.com. Because some lines of credit are variable rate products, taking out a big line of credit could mean substantial payment increases in future years. Experts advise only borrowing what you need, and never more than you can pay off because your home is on the line.

EnerGComm FCU offers great deals on home equity products that could be right for you. Come visit with a member of our lending staff to learn more.



ATM

Coming Soon... Colstrip ATM Service

EnerGComm Federal Credit Union has some exciting news! Our Colstrip branch will be getting ATM service this summer! This much-anticipated member service will make all your cash needs more convenient. Apply for an ATM and/or debit card today and be ready to use this wonderful addition to your Colstrip Credit Union as soon as it is available. Don’t wait!

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
Independence Day— July 5
Labor Day— September 6



www.energcomm.org

On-line Banking is Easy with CU@Home

“CU@Home, your Credit Union’s secure on-line financial service is now available. Get on-line and manage your personal finances in the convenience of your own home. Go to www.energcomm.org or contact your local Credit Union office to apply for this helpful service.

