

# Okaloosa County Teachers Federal Credit Union Smart MONEY

April 2008

## Kids Can Count on Credit Unions' Support of Children's Hospital

The Education Committee of the Northwest Chapter – Florida Credit Union League recently presented a check in the amount of \$37,000 to Sacred Heart Children's Hospital.

The amount represents funds raised in 2007 by participating credit unions through several activities, including year-long sales of candy bars and two seminars held for credit union employees. The committee's annual "Roll, Spin and Win for Kids" fundraiser was the largest contributor of funds.

"Credit Unions of the Northwest Chapter of Florida Credit Union League proudly join as a team to show support to Children's Miracle Network (CMN) and Sacred Heart Hospital," said committee Chairperson Kathy Davis. "Credit Unions strive to give back to their community by supporting projects such as CMN. We look forward to 2008 and feel fortunate to be a part of CMN miracles and care provided to so many in our community."



## SAVING on a Tight Budget

How can those who currently aren't saving afford to save money? And how can those saving only a little save more? Here are our tips for saving money when budgets are tight.

### Cut spending painlessly.

- To find small savings that add up to big savings over time, keep a careful record of all (and we mean all) of your expenditures for a month. You may be surprised to learn how much you are spending on such things as a daily latte or restaurant meals.
- For necessary purchases — such

as food and transportation and insurance— comparison shop. The Consumer Literacy Consortium ([www.66ways.org](http://www.66ways.org)) provides good advice from leading consumer experts on how to save money on purchasing 28 types of major products.

- Restrain spending for birthdays and holidays, especially Christmas. A few well chosen gifts are likely to be more appreciated than a more costly pile of gifts chosen thoughtlessly in a shopping mall foray.

*This message provided by  
Okaloosa Saves*

You may be **SQUEEZING** back into your jeans after the Holidays, but don't let your bank's checking fees put the

**SQUEEZE**  
on your budget!

our "free" checking  
is exactly that...

**free!**

1. No monthly service charge
2. Unlimited check writing
3. Monthly statement (paper or electronic)
4. No minimum balance requirement
5. Payroll deduction
6. ATM access (no surcharge at Co-Op Network ATMs)
7. Audio response
8. Small business checking
9. Free home banking and bill pay
10. Free debit card

**Call the credit union  
today for more information  
on how to make the easy  
switch to our FREE checking!**

New

## EMPLOYEES



Please join us in welcoming Sarah King to our credit union staff as a teller at our Crestview Office. Welcome back to returning employee Michelle Evers, who joins our staff as a teller at our Crestview Office



Sarah King



Michelle Evers

### Did you know we offer:

- Construction and Land Loans
- Free Online Banking and Free Bill Pay
- Small Business Checking
- Kirby Kangaroo Kids Club
- CU Succeed Teens Financial Network
- Payroll Deduction & Direct Deposit
- MasterCard™ Credit Card
- Free Debit Card
- Saturday Hours
- ATM at Crestview, Fort Walton Beach and Niceville Offices
- And Much More!

### Dial. Direct.

With our audio response system, you can direct your accounts from wherever you happen to be— 24 hours a day, seven days a week. All you have to do is dial your phone. It's fast, easy and free!

#### Dial.

Just call 1-800-828-5831 and enter your personal identification number (PIN).

#### Direct.

With just one call you can:

- transfer funds between accounts
- make a balance inquiry
- request a withdrawal
- and much more

Add us to your speed dial, and we'll speed you through your financial business. For more information or to request a PIN, call the credit union today.



### Make Your Own Sunshine for Days Like These

Those refund and rebate checks from Uncle Sam will soon be heading your way. The majority of Americans will choose to spend all of their refunds immediately. Okaloosa County Teachers Federal Credit Union wants to help you make a wiser choice. Why not save at least a portion of your refund for that proverbial rainy day.

The credit union offers a wide range of savings options for both long- and short-term savings. You will receive competitive dividends and enjoy the security of being federally insured.

Choose from:

- Regular Savings Accounts
- Christmas Club Accounts
- Vacation Club Accounts
- Certificate Accounts
- Individual Retirement Accounts
- Money Market Accounts

**Don't let yourself get soaked! For more information on our savings options, contact the credit union or visit [www.okaloosafcu.org](http://www.okaloosafcu.org).**

# Credit Unions Extend Helping Hand in Mortgage Crisis

Amidst the dire outlook in housing markets and mortgage lending across the county, credit unions are offering members a safe haven. Many large mortgage lenders suffered heavy losses in recent months on risky subprime loans. Credit unions steered clear of these risky loans, which has left them financially strong and able to make loans to their members.

According to Bill Hampel, chief economist at the Credit Union National Association, most credit unions “have strong balance sheets and near-record capital levels. As a result, they’re going to make any loans they can possibly make.”

Many credit unions are able to help members by refinancing subprime loans. Members also can sometimes find products that are no longer offered at other large lenders.

Credit unions are offering members more during this difficult time in the housing market because that is what credit unions were created to do. As not-for-profit financial institutions, they are owned by the members they serve. They don’t pay dividends to stockholders, and are focused instead on meeting the needs of members. Like other financial institutions, however, they’re regulated, and deposits of up to \$100,000 are insured.

In an article entitled “Credit Unions Offer Lifeline on Mortgages” posted on February 13, 2008 in *The Wall Street Journal Online*, Jilian Mincer writes that credit union’s “flexibility makes it more likely for them to lend to someone who had a temporary financial setback because of say, an illness or divorce.” She quotes Allen Fishbein, director of housing and credit policy for the Consumer Federation of America as saying that the “personalized service” credit unions offer “can make the difference between people getting approved and refinanced out of a loan.”

Credit unions are proud to offer more – to care about people rather than profits. It is a philosophy that benefits over 90 million Americans who belong to credit unions. Okaloosa County Teachers Federal Credit Union is proud of the difference credit unions are making for people across the country.

## You May Be Surprised At What’s Hiding Inside

If you’re in need of some extra cash for home improvements, a vacation, education expenses or other special occasion, you may only need to look around the house. In fact, you may be surprised at what’s hiding inside! With a home equity line of credit from Okaloosa County Teachers Federal Credit Union, you can find that extra cash and put it to work for you.

### Benefits of Our Home Equity Line of Credit:

- Rate as low as 5.00% APR\*
- Interest may be tax deductible\*\*
- Funds ready when you need them
- Only pay interest on the money you use
- No closing costs\*\*\*

Borrow 95% Loan-To-Value with a 5-Year Draw and 15-Year Maximum Term.

For more information, or to apply, call the credit union or visit [www.okaloosafcu.org](http://www.okaloosafcu.org).



\*Annual Percentage Rate.

\*\*The interest you pay may be tax deductible. Check with your tax advisor for details.

All loans subject to credit approval. Certain restrictions apply.

\*\*\*A minimum amount of \$10,000 is required. Closing costs must be paid if loan is repaid within a year.

## Got Green?

### Grow It at Your Credit Union

Visit Okaloosa County Teachers FCU the week of April 20-26 and help us celebrate National Credit Union Youth Week. Okaloosa County Teachers FCU will show youth how small change can lead to both saving for the future and saving the environment. Stop by any of our locations on Friday, April 26 for refreshments and special giveaways.

### Win a \$200 K-B Toys Gift Card!

During Youth Week, any time a child deposits money into their Kirby Kangaroo or CU Succeed Teens account or opens a new account, they are eligible to enter a drawing for a \$200 K-B Toys gift card.

Copyright 2008 Credit Union National Association Inc.

## FICO Launches Changes to Credit Scores

This year Fair Isaac, the originator of the FICO score, is revising the formula it uses to generate its credit scores. These revised scores could be available to credit bureaus by second quarter 2008.

The new formula will allow for several changes. Previously, one late payment on a credit report would wreck havoc on a score. With the revised formula, an occasional late payment will not do much damage to a score; however, a pattern of late payments will destroy it. In addition, applying for instant store credit will no longer cause as much damage to a score under the new system.

The other major change in the formula will remove the benefit to being an authorized user on another person's credit card account. Historically, being an authorized user on an account was a means of establishing credit. Many parents added children as authorized users on credit card accounts in order to help them build their own credit score. With the new formula, being an authorized user will no longer help a credit score, and may actually hurt it.

This change is in response to the practice of "piggybacking" in which some Web sites allow consumers with low credit scores to benefit from someone else's good credit record. These companies promise to boost credit scores by adding a client as an authorized user on the credit cards of strangers with excellent credit, for a fee.

Transunion has announced that it hopes to be using the new scores, called FICO 08, in the spring. Experian has not released a time-frame to adopt the new formula, and Equifax will not adopt the new formula due to an unrelated lawsuit filed against them by FICO.

## TIME IS RUNNING OUT FOR YOUR 2007 IRA CONTRIBUTIONS

It's not too late to contribute to your Traditional or Roth IRA for 2007. You can make contributions until your tax return due date (not including extensions), generally April 15. You don't have much time left to take advantage of a possible tax deduction. **IRA deposits of up to \$250,000 are insured by the National Credit Union Association.** Consult your tax advisor for details.

### Holiday Closings

**Memorial Day**  
May 26

**Independence Day**  
July 4

### Dividends

*Dividends were posted to accounts on 3/31/08.*

	Annual Percentage Rate	Annual Percentage Yield
Share Accounts	1.50%	1.51%
IRA Share Accounts	1.50%	1.51%
Club Accounts	1.50%	1.51%

## Okaloosa County Teachers Federal Credit Union

www.okaloosafcu.org

### 24-Hour Audio Response

1-800-828-5831

### Home Banking

www.okaloosafcu.org

### Main Office

1126 North Ferdon Boulevard  
Crestview, Florida 32536  
(850) 682-2225

FAX: (850) 682-7722

Mon. - Thurs. 8:30 a.m. - 4:30 p.m.

Friday 8:30 a.m. - 5:00 p.m.

Saturday 9:00 a.m. - 12:00 p.m.

Drive-up Only

### Fort Walton Beach Branch

11 N.E. Racetrack Road, Building I  
Fort Walton Beach, Florida 32547  
(850) 863-7041 or

(850) 863-7054

FAX: (850) 862-2933

Mon. - Thurs. 8:30 a.m. - 4:30 p.m.

Friday 8:30 a.m. - 5:00 p.m.

Saturday 9:00 a.m. - 12:00 p.m.

Drive-up Only

### Baker Branch

1307-A Georgia Avenue  
Baker, Florida 32531

Phone and Fax: (850) 537-9815

Mon. - Thurs. 8:30 a.m. - 4:30 p.m.

Friday 8:30 a.m. - 5:00 p.m.

Closed for lunch daily: 1:00 p.m. - 2:00 p.m.

### Niceville Branch

202 Highway 85N, Suite 100  
Niceville, FL 32578

(850) 729-3934

Fax: (850) 729-3936

Mon. - Thurs. 8:30 a.m. - 4:30 p.m.

Friday 8:30 a.m. - 5:00 p.m.

### Board of Directors

Gail Kaltz, Chairman

J.C. Connor, Vice Chairman

Jeanneane Grandstaff, Secretary

Martha Jordan, Treasurer

Eric Garcia

Susan Lowrey Sexton

Morris Rogers

Jerry Maughon, President/CEO

**ATM AVAILABLE AT  
THE CRESTVIEW, FORT  
WALTON BEACH AND  
NICEVILLE LOCATIONS.**

