

THE CREDITOR

MEMPHIS MUNICIPAL EMPLOYEES FCU



June
2006

From the desk of
Uzell Garner Jr.

Tame Those Bills

The electric bill arrives. It gets waylaid into a pile of papers where it sits for 2 weeks before you notice it again. Your payment is now late & you're hit with a late fee.

Sound familiar? Are you tired of writing checks, buying stamps, driving to the mailbox and, yes, paying the occasional late fee because you missed the payment deadline? Then try Online Bill Pay from your credit union.

All it takes is a few minutes to set up your list of creditors and establish a user ID and password for you to access your account. After that, all it takes is a few mouse clicks to pay your bills. If your bill payment is the same each month (for example, your mortgage or cable TV service), you can set up your account to automatically pay the same amount on a set date each month. With variable bills, your account lets you enter the amount to be paid.

Sound easy? It is. You do not need to be a computer expert to pay your bills online. Once you have your account set up and have a few months' experience clicking your bills paid, you'll wonder why you didn't do this sooner. Call or visit your credit union today and let us show you how easy it can be to pay your bills.



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Your Savings
At The Credit Union
Are Insured To
\$100,000

COMPLIANCE NOTICE !!!

The credit union may report information about your accounts to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

**EXPLORE
NEW AVENUES
OF FINANCING**
Experience the rewards

**Buy your car again
and make \$100 bucks!**
Memphis Municipal Employees FCU

If you financed your 2006 vehicle at another lender and were stuck with a high interest rate, we can refinance it. With a refinanced car loan from your credit union, you could enjoy such benefits as

- ⇒ new car loan rate
- ⇒ lower monthly payments
- ⇒ payroll deduction or direct deposit.

Also, if you finance your 2006 auto with us between July and September 2006, we will throw in
\$100.00 in CASH

Call or stop by the loan department for more details.

Tennessee will hold its first sales tax holiday this August 4-6, 2006. During the holiday, clothing priced at \$100 or less per item and computers priced at \$1,500 or less per item will not be charged sales tax. Details may be found at
www.Tennessee.gov/revenue.



Grow your money

Your money should remain yours for as long as you need it. Begin thinking of reasons to save and grow more than you spend. With that kind of conditioning, you are less likely to spend impulsively. Simply reminding yourself of how hard you worked for your cash, should be incentive enough to take care with it.

When in doubt

Never be ashamed to ask for help if you've gotten yourself in a financial bind. Remember time and money work together. Time can either help your money grow or it can cultivate staggering debt. Don't wait until the final hour to reach out and ask for the assistance of a professional money manager.

Paying it Off

If you are still paying off balances on several credit cards for gifts from last holiday season, here's how to begin retiring that debt.

- 1) Put the card away for now. Do not use it.
- 2) Plan to pay at least twice the minimum amount suggested; never pay just the minimum.
- 3) List all of your consumer debt, starting with the account with the highest interest rate.
- 4) Figure out the most you are able to dedicate each month to pay off the balance in say, six months or a year.
- 5) Make those targeted payments. Simultaneously, pay as much as you can above the minimum payment on each of the other bills.
- 6) Pay them all on time.
- 7) When that first bill is paid off put the next highest interest rate bill in play and follow the procedure. Having the ledger to consult regularly is a great psychological boost. For one, it transfers the burden from your head to the paper and you can literally "see" your progress. Before long, you will be debt free and in control.

Start Smart This Fall

Back-to-school is big business. Last year, school related merchandise had a \$13 billion price tag, with families reporting spending some \$375 per child on clothing, shoes, electronics, and school supplies. And, that bill could jump even higher if those purchases are charged to a department store credit card carrying a 21, 22, even 23 percent interest rate. So before your kids head off to school, head to the credit union where you will find low rates on our back-to-school loans. With a loan from the credit union, you'll have cash in hand. That makes setting and sticking to a budget easier. It also means you can shop around for the best values on clothing and the other supplies your kids need to start

smart
this fall.



"GET CASH UNTIL PAYDAY! . . . \$100 OR MORE . . . FAST."

Your credit union is your best bet for any loan. Apply today!!! Here's the truth behind payday loans.

The ads are on the radio, television, the Internet, even in the mail. They refer to payday loans - which come at a very high price. Check cashers, finance companies and others are making small, short-term, high-rate loans that go by a variety of names: payday loans, cash advance loans, check advance loans, post-dated check loans or deferred deposit check loans.

Usually, a borrower writes a personal check payable to the lender for the amount he or she wishes to borrow plus a fee. The company gives the borrower the amount of the check minus the fee. Fees charged for payday loans are usually a percentage of the face value of the check or a fee charged per amount borrowed - say, for every \$50 or \$100 loaned. And, if you extend or "roll-over" the loan - say for another two weeks - you will pay the fees for each extension.

Under the Truth in Lending Act, the cost of payday loans - like other types of credit - must be disclosed. Among other information, you must receive, in writing, the finance charge (a dollar amount) and the annual percentage rate or APR (the cost of credit on a yearly basis).

A cash advance loan secured by a personal check - such as a payday loan - is very expensive credit. Let's say you write a personal check for \$115 to borrow \$100 for up to 14 days. The check casher or payday lender agrees to hold the check until your next payday. At that time, depending on the particular plan, the lender deposits the check, you redeem the check by paying the \$115 in cash, or you roll-over the check by paying a fee to extend the loan for another two weeks. In this example, the cost of the initial loan is a \$15 finance charge and 391 percent APR. If you roll-over the loan three times, the finance charge would climb to \$60 to borrow \$100. *Reproduced with permission of the Federal Trade Commission, www.ftc.gov FTC Consumer Alert*