

Memphis Municipal Employees Federal Credit Union

May 2008

*With Much Love
From Your
Credit Union*



We Salute You
Mothers...
Today and Everyday!

- The TAX Rebate may give you the boost you need....
- It could be the largest federal payout in history, running from \$300 to individuals to as high as \$1,800 per family. It's OK to spend the windfall, but don't use it just to buy more "stuff." Try these tips.
- 1. Fix something. New wallpaper, faucet and lights. You've been itching to update that bathroom or carpet. Do it. You may also fix up yourself — get that dental crown or new eyeglasses or some other health item you've put off.
- 2. Replace something and donate the old item to charity and get a tax break for contributions.
- 3. DisARM yourself. Pay refinance costs and get rid of your adjustable rate mortgage. This will really help you.
- 4. Invest in a CD with your credit union. The money will multiply.

Six Lies We Tell Ourselves about Why We Spend!

Self-deception and a lack of control are the chief reasons for many poor spending decisions, and whiny explanations about wasteful purchases are nothing more than excuses for bad spending behavior.

If you are an impulse shopper who simply can't stop throwing money around, recognizing some of the common lies people tell themselves to justify their spending could help you control your urges,. Review these 6 excuses and eliminate them from your financial health.

- * **I could die tomorrow, so I'll live for today.** This immature attitude justifies actions of the buy-it-now and pay-for-it-when-ever class. It's the primary excuse for not saving money.
- * **I work hard, I deserve it.** This is akin to a four-year-old throwing a tantrum in a toy store crying "Gimme, gimme." While it is true that many Americans are overworked and that you have to treat yourself occasionally, self-gifting is more prominent today because of advertising pitches to buy things "because you deserve them." You also deserve to live out a retirement that doesn't include regular helpings of Alpo.
- * **I don't have a head for numbers.** This is the excuse given for not paying attention to personal finances. But managing money doesn't require complicated mathematics. Consumers now have a plethora of free online tools to help with all sorts of financial planning. Be happy to do smart things with your money, if they aren't the absolute best you can do. Often, the absolute best involves more risk than you should be taking.
- * **I'm too busy to compare prices or manage money.** This might be true for a small fraction of people, says Karp, but mostly it's a lie. Shutting off the TV one night a week will provide most people plenty of time to manage their finances. For those truly time-strapped, consider hiring a good financial adviser. It's more costly than managing your finances yourself, but better than doing nothing.
- * **It's an investment.** Most consumer purchases aren't investments, because almost all of them plummet in value the moment you leave the store. So you don't "invest" in a car, a plasma TV or a new pair of shoes unless somehow they'll make you money. They are expenses. Pacifying your self-guilt by calling them an investment is self-delusion.
- * **I don't earn enough to save money.** Saving is not about what you earn, it's about what you keep. If your paycheck truly covers only the cost of bare necessities, you have an income problem. It's time to work more hours or earn more with the hours you work.

GET RID OF THESE EXCUSES...AND START SAVING MONEY FOR A BETTER TODAY AND TOMORROW!!!

THE CREDITOR



Coming MAY 2008
Visa Platinum Cards available
for credit union members with
approved credit
Memphis Municipal Employees
Federal Credit Union
Everything We Do
We Do For You !!

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.

Don't Let Debt Get You Down

A little debt is manageable, but a lot can lead to its own money emergency. Is your debt nearing a critical level? Look for these symptoms.....

1. You are unable to make the minimum payments on your credit cards.
2. You borrow from one card to pay another.
3. You are frequently charged fees for late payments or for going over your credit limit.
4. You use plastic out of necessity rather than convenience.
5. You forgo contributions to savings and retirement plans because of your debt.
6. You devote more than 20% of your take-home pay to making payments on credit cards and loans other than your mortgage.

If you find yourself in any of these situations DO NOT PANIC. Finding a cure may be as simple as working out better terms with your creditors, consolidating your debt on a credit card that carries a low interest rate or if necessary, taking out a home-equity loan.

1. Your credit union representative, or a reputable credit counselor can help you create a debt-management plan that works for you.
2. Grab a \$0 offer. Move your balances to a card that charges 0% or another low introductory rate on balance transfers. However, you must keep track of the interest rate, your balance and the calendar for when the 0% expires.
3. Ask creditors for a break. You might be able to get immediate relief simply by haggling over fees and interest rates with your creditors. If the 1st person you speak with says no, ask for a supervisor. Don't give up easily.
4. BANKRUPTCY- A FINAL RESORT. If all else fails, declaring bankruptcy is a final option. It stays on your credit 10 years. That financial black mark can make it difficult to get credit at a reasonable rate, buy a home, purchase life insurance and sometimes even get a job.

LEARN YOUR OPTIONS...ACT ON THEM.

U.S. Treasury Introducing Prepaid Debit Cards for Recurring Federal Benefits for Unbanked Social Security, SSI Benefit Recipients

Federal benefit recipients without bank accounts can receive their Social Security and SSI funds more safely with the U.S. Treasury's Direct Express debit card. The Treasury will start issuing the cards in the spring through Comerica Bank. Direct deposit of benefits into a bank account is still the safest way for people to receive their federal benefits according to the Treasury but studies sponsored by the Treasury show that about a third of those receiving checks for Social Security and SSI don't have bank accounts. The debit card provides an alternative to direct deposit for the unbanked and will reduce the cost to taxpayers of providing payments.

Night Depository At Your Credit Union

For your convenience, your credit union has a night depository to accept your cash & checks, offering a safe place to store your deposits after normal business hours. Deposit slips should be completed using your pre-printed ones in your checkbook. For safety, we encourage you to fill out a deposit slip in advance to save time, especially if you have multiple items. It is located next to the drive-up teller window. Keep your eyes open for unknown persons near the depository slot and leave if you feel uncomfortable. They are picked up daily and deposits are processed on that business day. Just another convenience provided for you by your credit union.



Most credit cards charge an annual interest rate of 18%- a large slice of your finances.



Best Wishes Graduates!



CLASS OF 2008

Are we hooked on credit? ABSOLUTELY!!

Today there are almost one billion general purpose payment cards in the United States. Most adults have five credit cards and maintain a constant balance of about \$2,100. The credit card has become so popular that, every minute of every day, Americans pull out their credit cards half-a-million times and ring up \$3 million in new purchases.

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