



# E.R.R.L. Federal Credit Union

## NEWSLETTER

Summer 2013

Phone: 215-836-5596

FAX: 215-836-7521

[www.arserrc.gov/www/errl](http://www.arserrc.gov/www/errl)

### Dividend Rate

**Up to \$20,000.00: .8% APR, .801% APY**

**\$20,000.01 and above: .15% APR, .15% APY**

Your Credit Union is working hard to ensure that dividends are being paid in line with the current economic situation. Our responsibility to the entire membership is taken very seriously and adjustments are made based on the welfare of the membership as a whole. At each monthly meeting, the Board evaluates current rates and continually strives to offer a rate that is in concert with good business practices.

### Statements Enclosed

You'll find your semi-annual statement enclosed with this newsletter. Our Supervisory Committee is conducting an account verification, **so please review your statement and mail back the enclosed letter.** Remember, at our Annual Meeting in February, we will conduct a drawing from the verification letters returned. You need not be present to win! Aside from the drawing, the office needs to know if there are any errors or problems in your account.



### Loan Rates

**New and Used Car Loan Sale and Signature Loan Sale**

We have great rates and payments to meet your budget. See our website at [www.arserrc.gov/www/errl](http://www.arserrc.gov/www/errl) to view the most recent loan rates.

**Remember to support your Credit Union. Loans are our business so if the dealer offers the same rate, tell him you'll be taking your loan from the Credit Union. This will help support YOUR Credit Union.**

### Loan Applications

Loan applications and co-signer forms are now available on our webpage. Just print, fill out, and mail or fax back to us.



### Family Members Eligible to Join the Credit Union

Don't forget that immediate members of your family are eligible to join the Credit Union if you are a member. We offer competitive savings and interest rates, convenient access to your money, and loans granted to children with you as a co-signer can help build your child's credit history.



### Privacy Policy

#### Information We Collect

We collect nonpublic information about you from some or all of the following sources:

- \* Information we receive from you on applications or other forms;
- \* Information about your transactions with us, our affiliates, or others; and,
- \* Information we receive from a consumer reporting agency.

#### Information We Disclose

We do not disclose any nonpublic personal information about our members and former members to affiliates or non-affiliated third parties except as required by law.

#### Our Security Measures

We restrict access to nonpublic information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with Federal regulations to guard your nonpublic personal information.



## Are You Happy with Your Credit Union?

If you are, tell your fellow workers about the confidential, rapid and courteous service that you experience in your dealings with us. They too can benefit through membership. If you are not happy . . . tell us. In most cases we can resolve any problems you may have had. We are here to serve the membership . . . the employees of ERRC and their families.

## 6 Financial Tips For Young Adults

Unfortunately, personal finance has not yet become a required subject in high school or college, so you might be fairly clueless about how to manage your money when you're out in the real world for the first time. If you think that understanding personal finance is way above your head, though, you're wrong. All it takes to get started on the right path is the willingness to do a little reading - you don't even need to be particularly good at math.

To help you get started, we'll take a look at eight of the most important things to understand about money if you want to live a comfortable and prosperous life.

### 1. Learn Self Control

If you're lucky, your parents taught you this skill when you were a kid. If not, keep in mind that the sooner you learn the fine art of delaying gratification, the sooner you'll find it easy to keep your finances in order. Although you can effortlessly purchase an item on credit the minute you want it, it's better to wait until you've actually saved up the money. Do you really want to pay interest on a pair of jeans or a box of cereal?

If you make a habit of putting all your purchases on credit cards, regardless of whether you can pay your bill in full at the end of the month, you might still be paying for those items in 10 years. If you want to keep your credit cards for the convenience factor or the rewards they offer, make sure to always pay your balance in full when the bill arrives, and don't carry more cards than you can keep track of.

### 2. Take Control of Your Own Financial Future

If you don't learn to manage your own money, other people will find ways to (mis)manage it for you. Some of these people may be ill-intentioned, like unscrupulous commission-based financial planners. Others may be well-meaning, but may not know what they're doing, like Grandma Betty who really wants you to buy a house even though you can only afford a treacherous adjustable-rate mortgage.

Instead of relying on others for advice, take charge and read a few basic books on personal finance. Once you're armed with personal finance knowledge, don't let anyone catch you off guard - whether it's a significant other that slowly siphons your bank account or friends who want you to go out and blow tons of money with them

every weekend. Understanding how money works is the first step toward making your money work for you.

### 3. Know Where Your Money Goes

Once you've gone through a few personal finance books, you'll realize how important it is to make sure your expenses aren't exceeding your income. The best way to do this is by budgeting. Once you see how your morning java adds up over the course of a month, you'll realize that making small, manageable changes in your everyday expenses can have just as big of an impact on your financial situation as getting a raise. In addition, keeping your recurring monthly expenses as low as possible will also save you big bucks over time. If you don't waste your money on a posh apartment now, you might be able to afford a nice condo or a house before you know it.

### 4. Start an Emergency Fund

One of personal finance's oft-repeated mantras is "pay yourself first". No matter how much you owe in student loans or credit card debt and no matter how low your salary may seem, it's wise to find some amount - any amount - of money in your budget to save in an emergency fund every month.

Having money in savings to use for emergencies can really keep you out of trouble financially and help you sleep better at night. Also, if you get into the habit of saving money and treating it as a non-negotiable monthly "expense", pretty soon you'll have more than just emergency money saved up: you'll have retirement money, vacation money and even money for a home down payment.

Don't just sock away this money under your mattress; put it in a high-interest online savings account, a certificate of deposit or a money market account. Otherwise, inflation will erode the value of your savings.

### 5. Start Saving for Retirement Now

Just as you headed off to kindergarten with your parents' hope to prepare you for success in a world that seemed eons away, you need to prepare for your retirement well in advance. Because of the way compound interest works, the sooner you start saving, the less principal you'll have to invest to end up with the amount you need to retire, and the sooner you'll be able to call working an "option" rather than a "necessity".

### 6. Get a Grip on Taxes

It's important to understand how income taxes work even before you get your first paycheck. When a company offers you a starting salary, you need to know how to calculate whether that salary will give you enough money after taxes to meet your financial goals and obligations.

### A Financial Basis for Life

Remember, you don't need any fancy degrees or special background to become an expert at managing your finances. If you use these six financial rules for your life, you can be as personally prosperous as the guy with the hard-won MBA.

