

Members Memos

Fall 2016

Help Your Kids be Money Smart



Because financial skills are so important to successfully navigate life, it's important that we start teaching our children about money at an early age. In fact, many believe that children as young as age three can grasp some basic financial concepts such as saving and spending, and research shows that children's money habits are formed by the age of seven. Below is an age-by-age guide to help you teach your kids some important financial lessons.

AGES 3-5 : DELAY GRATIFICATION

We live in a world where kids can get what they want when they want it. Favorite TV show – it's on demand. Favorite song – download it. Visiting grandma – FaceTime her. Kids at this age need to learn that if they really want something, they should wait and save to buy it. This requires parents being firm, and if explained and reinforced, kids quickly learn that going into a store doesn't always mean you'll buy something. To help them save, consider job jars. Create three labeled "Saving," "Spending" and "Sharing." Every time your child receives money, whether for doing chores or from a birthday, divide the money equally among the jars.

AGES 6-10 : CHOOSE HOW YOU SPEND YOUR MONEY

At this age, it's important to explain to your child that money is finite, and once the money is spent, it's gone. At MACU, we encourage children age 12 and under to open a Penny Panda savings account with his or her parent's approval. An account can be opened with as little as \$50, and dividends are paid monthly. You should also begin to engage children in this age group in more adult financial decision-making. Grocery shopping presents a perfect setting to help kids learn about making financial choices. Talk about generics versus name-brand items. Ask if what your child wants to add to the basket is something you really need. Or, discuss if it might be less expensive elsewhere.

AGES 11-13 : GROW YOUR MONEY FASTER WITH INTEREST

At this age, you can shift from the idea of saving for short-term goals to long-term goals. It's important your child has an interest-bearing savings account where money can be regularly deposited. In fact, MACU will be unveiling a new savings program for children ages 13 and older in early 2017. Explain the concept of compound interest using specific numbers. For example, say, "if you set aside \$100 every year starting at age 13, you'd have \$23,000 by age 65, but if you start at age 35, you'll only have \$7,000 by age 65." By doing so, your child will see how investing a certain amount will grow over time depending on the interest rate.

AGES 14-18 : PLAN FOR THE FUTURE

As a youngster, your child saved up for the short-term, but now that your child is a teen, it is time to focus on saving for larger goals such as a new computer or a car and longer-term goals such as college. You might motivate your teen to focus on saving rather than spending by offering to match what he or she saves toward a long-term goal. Consider opening a low initial-contribution investment account for your child (if your teen is a minor, this will be a custodial account). In so doing, you can introduce your child to the basics of investing, investment terms and concepts.

It's never too early to introduce your child to basic financial concepts because in doing so, you are helping develop adults who are financially literate and financially sound.

MEMBERS ADVANTAGE
CREDIT UNION



A Message from the President

The housing market continued to be strong in Northwest Indiana over the summer, and one of the contributing factors seemed to be low mortgage rates. With these low interest rates, many homeowners are considering refinancing their mortgages. But interest rates alone shouldn't be your determining factor to refinance. First ask yourself these questions:

How long do you plan to stay in the home? On average, people stay in their homes for seven years. For those looking to move sooner, refinancing might not make financial sense. If the interest rate reduction is small, it will take a long time to break even on the refinance cost.

How much equity do you have in your home? Refinancing is like starting over. If you are refinancing into a new 30-year mortgage and you've already been paying your old one for six years, that gets erased, meaning you'll be paying the new mortgage for 30 years instead of 24. If you've already made inroads on your principal, you could end up paying more for your house over an extended time. If you have little to no equity in your home and are paying a high interest rate, it makes sense to refinance into a lower payment.

What is your current financial situation? In these economic times, many people have lost their jobs or have shifted to a one-income

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Employee Spotlight: Erica Robinson

After eight years at KCT Credit Union in Illinois, Erica Robinson brought her skills and talents to the Portage MACU branch. "I've been a Member Service Representative for two years, and I really enjoy it," Erica said. "My duties include teller transactions, opening accounts, member services, loan application processing, loan closing and handling the phones." Helping members open accounts is one of the more enjoyable aspects of her job. "I like getting to know the members and building relationships with them." When not working, Erica's passion is Latin dancing. "I've even been in a few competitions," she said. "It's a lot of fun!"

You're Never Too Far from MACU

Did you know you can have access to your MACU accounts in all 50 states? Because MACU has joined with thousands of credit unions nationwide through the CU Service Centers® Network, you can perform many of your financial transactions and obtain services at other credit unions belonging to the network.

A perfect solution when you're away from home or for students away at school, you can make deposits, withdrawals, loan payments, transfers between accounts and more. And, in most cases, you can walk into a fully-staffed office.

To find a Shared Branch Service Center near you, go to macuonline.org and click on **Shared Branching** under the **Info Center** tab.



It Pays to Save with MACU's Save to Win CD

With The Save to Win program at MACU, you have a chance to win \$25 – \$5,000 every time you deposit \$25 in your CD.

It's easy, and here's how it works.

1. Open a 12-month Save to Win CD with at least \$25.
2. Every \$25 deposit earns you an entry into the monthly and quarterly drawings. Maximum of 10 entries per month per member.



Six Reasons to Love Our Credit Card

Compared credit cards lately? MACU's Visa® card options can save you money and provide you with additional benefits over bank cards. With our Visa® Classic, Visa® Gold and Visa® Platinum, there's a card to meet everyone's needs with no annual fee. Plus, you're not only getting the card, you're getting numerous perks that come with belonging to MACU.

1. YOU'RE A MEMBER-OWNER

At MACU, you're not just a customer, you're a member-owner. Unlike banks that work to make profits, we work with your interests in mind. And, no matter how large or small your account is, you have a voting share in our affairs.

2. FEWER FEES

In a time of rising bank card fees, our Visa® card offers you no annual fees, no balance transfer fees and no cash advance fees. There's no drawback to no fees. If you haven't been able to negotiate a lower interest rate on your current bank card, move that balance to a low-interest MACU Visa® card at no charge.

3. LOWER INTEREST RATES

All of our Visa® cards feature a 1.99% APR balance transfer rate for at least six months and rates as low as 8.50% APR. Because MACU is a not-for-profit institution, we can pass on our savings to our members in the form of these lower interest rates. We are one of the few financial institutions in the region that offers a secured credit card at a reasonable rate.

4. YOU'RE PROTECTED

If your card is lost or stolen, you will have zero liability. For added security against counterfeiting or cloning, all of our Visa® cards have a smart chip, which is becoming the standard authorization process in the United States.

5. EASY PAYMENT OPTIONS

At MACU, we offer several ways for you to pay your credit card statement. Come into a branch, mail in your payment, just give us a call or pay online. By offering these convenient options, you'll be able to make a payment wherever you are.

6. ENJOY OUR OTHER SERVICES

As a member of MACU, you'll be able to take advantage of all of our other services. We have low rates on auto, home, your student loans and more. We have a variety of savings products that pay high rates. And, our checking accounts require no minimum balance.

At MACU, we know rates and fees are important, but we also know that it's important to work with a company you can trust. And at MACU, we've been building trust with our members for years.

*All credit card limits are based on your personal credit history. Other restrictions may apply. All rates quoted are subject to change without notice. APR rate then reverts to assigned rate after six months.

What's the BUZZ?

Buzz Points® is a free rewards program especially for MACU members. It's easy to become a Buzz Points® user. All you need to do is activate your MACU debit card and start earning points every time you use your card.

You'll earn points wherever you shop and even more points when you shop at participating local merchants rather than at a national chain. Plus, you can receive exclusive offers and rewards from many of our local business partners. To search for preferred local businesses, access your account online or add the Buzz Points® app to your iPhone or Android mobile device.

Buzz Points® are delivered instantly, and you can start earning rewards faster than many other reward programs. Once your points start adding up, you can choose your reward from a variety of gift cards, or you can donate the points to a charity of your choice.

Don't wait. Activate your MACU debit card now, and start earning Buzz Points® the next time you shop.

Penny Panda
MOVIE MORNING

Coming soon!
Stay tuned
for more details.

MAD Recap

Thank you to all of our wonderful MACU members and families who joined us on July 22 for our Member Appreciation Day (MAD) held at our Michigan City branch. While all guests were enjoying the complimentary picnic lunch, we were also treated to the musical stylings of Planetary Blues – a crowd favorite. It was truly a wonderful event, and we hope to see you all again next year.





Skip-a-Pay

Everyone's budget gets tight once in a while, which is why MACU offers the Skip-a-Pay program. By taking a holiday from your loan payment*, you can use the extra money to go on a vacation, take care of the fall clean-up project you've been wanting to finish or get ready for the upcoming holidays. Whatever your reason, you will be charged a service fee of just \$30 for your skipped loan payment.

Here are a few simple rules to guide you to extra cash:

- You must be a MACU member in good standing
- Finance charges will continue to accrue on your balance from the time you made your last payment
- You can only use Skip-a-Pay once within a 12-month period
- Loans must have a six-month payment history to be considered for Skip-a-Pay
- Skip-a-Pay is subject to approval

If you're ready to Skip-a-Pay, go to macuonline.org, find the Skip-a-Pay link under the **Advantages** tab, and download the form. The completed form must be returned to MACU at least five business days before your loan payment due date.

*VISA® credit card, mortgage loans and home equity lines of credit are not included in this offer

What Members are Saying

"Thank you for always making the time to answer my questions and providing stellar customer service. It is people like you who make MACU a wonderful example of what a financial institution should be!"

"MACU is awesome! I go to the Michigan City branch, and the tellers and managers are so friendly. They know the members on a first-name basis — it's like one big family! I love my credit union!"



(Message from the President, continued)

household and can't afford their current mortgage payment, so saving even \$100 a month can make a difference. If you fall into this category, then refinancing into an entirely different mortgage product like an interest-only loan may be an option.

If you are considering refinancing your home, please talk with one of our MACU

mortgage specialists. They can discuss your situation and help guide you through the process.

Frank Beachnau, President

Michigan City

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M-Th: 9am-5pm
F: 9am-6pm
S: 9am-12pm

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Portage

6170 US Highway 6
Portage, IN 46368

M-Th: 9am-5pm
F: 9am-6pm
S: 9am-12pm

(219) 762-6228

Holiday Closings

Thursday, November 24 – Thanksgiving
Friday, November 25 – Branches close at 1pm
Monday, December 26 – Christmas (observed)
Monday, January 2, 2017 – New Year's Day (observed)

ET (Electronic Teller)

(219) 874-6943, Ext. 6
Toll Free (outside 219 area code)
1-877-874-6943, Ext. 6

Board Members

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