

THE MONEY WIRE



Leyden Credit Union
2701 N. 25th Avenue • Franklin Park, Illinois 60131
(847) 455-8440 • www.leydencu.org

Quarterly newsletter
Summer 2010

Sizzling Summer Sale

AUTO LOAN SPECIAL NOW THROUGH SEPTEMBER 1ST

Get 1/2% off your regular qualifying auto loan rate. New Car - Used Car, it doesn't matter. Whatever rate you would normally get, we'll knock 1/2% off of that.

Did you get stuck financing through the dealer? Even if your loan is still with someone else, it's not too late to save at LCU. Let us refinance your loan and we'll knock 1% off of what you are currently paying.



*Some restrictions apply. Must meet Leyden Credit Union lending guidelines

Car Shopping? Buy Happy!



SAVE

UP TO
\$7,000*
OFF MSRP
Limited-time offer!

Save
on Used Cars Too!

Call 800-500-7010
to save money now!



CarQuotes.com

Do You Manage Your Money or Does it Manage You?

Budgeting lies at the foundation of every financial plan. While it's not fun or exotic, budgeting helps you learn where your money is going to get a handle on your finances. Basic budgeting is not about penny pinching or restricting how you spend your money – it's about understanding how much money you have and planning how to best allocate those funds to meet your personal goals.

Here are the five basic steps to building your budget:

Tracking Income

This should be easy. Take a look at your paycheck stub (and your spouse's if you are married). Add any other sources of funds such as interest, dividends or income from a second job or side business.

Tracking Expenses

This is a little more difficult. Get your checkbook and collect your latest account and credit card statements to break down your spending.

- **Separate Fixed and Discretionary Spending:** Make a list of all fixed, regular payments you have such as mortgage or rent, loan payments, tuition, day care, insurance, utilities and taxes.
- **Create Discretionary Subcategories:** Start with groceries and dining out (don't forget to track spending at the coffee shop). Then set up additional categories – entertainment, travel, gifts, clothing, healthcare, home improvement, etc. Don't get too fancy, start with a few categories.

Define Your Goals

What do you want to accomplish with your money? Maybe you want to buy a home or remodel your existing one, pay off your debts, take a vacation, or retire. When do you want to do these things – next year? 5 years? Determine how much you need to squirrel away each month to have enough money saved for each goal by the time you need the funds.

Set Your Budget

Total up your monthly income. Add up your expenses. Subtract your expense total from your income total to get to the bottom line – either a positive or negative number.

- **If you have a positive number, CONGRATULATIONS,** you are spending less than you earn. Now include a monthly savings amount in your budget and have that amount automatically withdrawn from your paycheck and deposited in your credit union account.
- **Don't worry if you have a negative number** – the reason you're building a budget is to identify deficiencies and find out how to address them. You have a little more work to do. Look at your discretionary expenses to find areas to cut.

Monitor Monthly

It is important to review your budget on a regular basis to make sure you are staying on track.

Over time, sticking to a budget will greatly enhance your financial well-being and reduce financial stress. You'll find it easier to save money for your goals. And, you'll realize that budgeting is not as difficult as you thought it would be when you got started.

A Smarter Way to Finance

Take advantage of your home's equity with Leyden Credit Union.

- Terrific Rates!
- Tax-Deductible Interest*
- AND you can use the money for anything you want or need
- Low Monthly Payments
- FAST Approval

With the current economic downturn, we are all looking for some extra funds. Consider utilizing the equity that you have built up in your home with a Home Equity Line of Credit from LCU.

- Pay off your credit cards
- Purchase a new vehicle
- Make those needed home improvements
- Head off on vacation
- Finance education or healthcare expenses

With a Home Equity Line of Credit, you are pre-approved to borrow up to a pre-defined amount. You can access these funds at any time within the first 5 years of loan – there is no need to re-apply when you need to draw against your available credit. And you have 15 years to repay any money that you borrow. Monthly payments are based on the amount of credit you actually use. With LCU, you can borrow up to 100% of the value of your home less the remaining balance of any outstanding mortgages.

Call us at (847) 455-8440 for more information or to apply for a Home Equity Line of Credit.

*Please consult your tax advisor for details



MESSAGE FROM THE PRESIDENT/CEO

Inconvenient and proud of it!

We sometimes get complaints and unintentionally make members/potential members unhappy with us because of our policies and procedures. We most frequently get complaints with account opening procedures, loan applications and account change procedures. The most common complaint that we hear is that our policies are too strict or that they cause inconvenience.

For instance, many complaints focus on why we require two forms of Identification with an actual physical address in order to open an account. Not only is this required by law through the Patriot Act, it's a policy that we followed even before it was required by law.

Is this an inconvenience if the new member didn't bring a second form of ID with them when they come to open an account? Sure it is. However, if this new member is trying to open the account for malicious reasons, we may either discourage them from opening the fraudulent account, or will catch a red flag when the second form of ID doesn't match the first and we'll refuse to open the account.

Another common complaint that we hear is that our loan process takes too long and that having to provide proof of income is inconvenient. Again, the policies and procedures that we put in place are there to ensure that we have accurate information when underwriting the loan. Again, the main reason for verifying income is to not only make informed lending decisions, but to prevent loan fraud from someone that is trying to inflate their income. When we get stuck with a bad loan, the whole credit union bears the cost of writing off that loan.

The last inconvenience that we most frequently hear about is that joint owners have to sign off on an account card to be removed from an account. This policy is in place in order to prevent misunderstandings about who is entitled to what. The misunderstandings that occur most frequently are related to the death of an account holder or the divorce/separation of joint account holders. We often get stuck in the middle of disputes and we have to rely on account agreement signatures as to who is entitled to what and when were they entitled to it and when were they not. If we have signatures to fall back on, we can easily figure out who gets what monies when there is a dispute. It cuts down on family disputes and lots of "he said/she said" moments.

So, there are reasons for our maddening (at times) procedures and policies. They are in place not to upset you, but to protect you, your beneficiaries and the credit union as a whole. Keeping the credit union assets, and in turn our members' assets safe is one of my primary responsibilities. If that corresponds with some inconvenience, it's an unfortunate but necessary consequence and I hope you understand.

David Lukas

Leyden Credit Union - President/CEO

SAVINGS RATES

Regular Shares.....	.803% APY*
Holiday.....	.904% APY*
IRAs (passbook).....	.904% APY*
Tiered Money Market904% APY*
Premier Share Draft30% APY*

Call the credit union office, LAURA or check our Home Page for up-to-the minute Certificate Rates.

*Annual Percentage Yield

LOAN RATES (For Qualified Buyers All Discounts Included)

Share Secured: as low as 5.25% APR†	New Auto Loans: as low as 3.90% APR†	VISA® No Annual Fees 25 Day Grace Period Summer & Holiday Skip-a-pay
Signature Loans as low as 8.75% APR†	Used Auto Loans: as low as 4.90% APR†	Classic/Gold Share Secured 8.88% APR†
Variable Rate Home Equity Line of Credit 4.00% APR†	† Annual Percentage Rate. Floor is 4.00% Rates as of 6/30/10. All rates subject to change without notice.	Gold 9.00% APR†
		Classic 13.80% APR†

***As of August 15th, Leyden Credit Union is replacing the Merrill Lynch Ready Asset Trust rate with the 1 year LIBOR as the Index for the top tier of our CUIMA Money Market Account.**

We'll Miss You Joe

Leyden Credit Union is sad to report the passing of Joe Milazzo. Joe proudly served the credit union as our Human Resources/Administration Manager.

He passed away on June 21, 2010.



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Office / Drive-Up Hours

Monday, Tuesday, Thursday:	8:30 a.m. – 5:00 p.m.
Wednesday:	10:00 a.m. – 5:00 p.m.
Friday:	8:30 a.m. – 6:30 p.m.
Saturday:	8:30 a.m. – 12:30 p.m.

Holiday Closings

LCU will be closed the following dates:

September 6
Labor Day

October 11
Columbus Day