

# 1ST EDITION

The Quarterly Newsletter for 1st Gateway Credit Union Members

► Summer 2020

## Upcoming Holiday Hours

Labor Day - Monday, September 6th - Closed

## Community Investments

Schmailing Library  
 Clinton Library Market Music Program  
 Boy Scouts of America  
 Lyndon Car Show  
 Information Referral and Services  
 Iowa State Sheriffs Association  
 Speak Out Against Suicide  
 Clinton Chamber of Commerce  
 Camanche Kiwanis  
 Make-A-Wish  
 Music on the Avenue  
 Children's Therapy Center  
 White Oaks Therapeutic Center  
 Morrison Lions Club Recycle Day  
 Amvets

## Adventureland

### Your ticket to summer fun!

Looking for some family fun this summer? We have tickets available to Adventureland in Altoona, IA, at well below the price you would pay at the park! Avoid the lines and buy your tickets in advance! Tickets are available at all seven of our branches!



## Rate Highlights

Current as of 6/1/21

	APY*
<b>Savings</b>	
\$100 Average Daily Balance.....	0.10%
<b>Share Draft Checking</b>	APY*
\$500 Average Daily Balance.....	0.05%
<b>Term Shares of Deposit</b>	APY*
6 month.....	0.15%
12 month.....	0.35%
18 month.....	0.35%
24 month.....	0.40%
36 month.....	0.55%
48 month.....	0.60%
<b>IRA</b>	APY*
<b>IRA Term Share</b>	
12 month-\$1,000 Minimum.....	0.35%
<b>IRA Share</b>	
\$20 Minimum to Open.....	0.10%
<b>Loans</b>	APR**
<b>New Vehicles</b>	
36 months.....	2.99%
60 months.....	2.99%
<b>Used Vehicles</b>	
36-60 months.....	3.25%
72 months.....	4.20%

\*Annual Percentage Yield. Rates subject to change. Visit website for details.  
 \*\*Annual Percentage Rate. APR is based on credit worthiness criteria.  
 Rates, terms and conditions subject to change.

## Financial Tip:

### It's time to consider refinancing

**Need to reduce your spending? Consider refinancing your loans.** Let's be honest...reducing your monthly expenses isn't always as easy as it sounds. There are only so many ways to cut back. Sure, you can switch cable providers or phone plans, use coupons, buy only necessities, but those savings are usually minimal. You want to save money...a sum of money you can actually see in your accounts.

One of the easiest ways to reduce your monthly spending is by refinancing your current loans. After all, your largest monthly expenses are usually your loans (home loans, auto loans, credit cards). So why wouldn't they also be the source of your biggest savings. They are. Let's look at auto loan refinancing.

#### What is auto loan refinancing?

Refinancing your auto loan may sound complex, but it's actually quite the opposite. When you originally purchased your vehicle you probably financed it with a loan from the dealership or another financial institution. By refinancing your loan, you are simply switching it from your current lender to a new one.

Typically auto loan refinancing is done so save money, but there are actually several reasons you might consider switching it to the credit union.

For example, imagine your auto loan balance is \$25,000, and your current rate is 6% APR. With a term of 60 months, lowering your interest rate by just 2% could save you a significant amount of money. By refinancing, you could save \$22.91 per month and \$1,374.42 in interest over the life of the loan.

#### Why would you choose to refinance?

The most common reason to refinance your auto loan is to take advantage of better loan rates. If loan rates have decreased since you originally purchased your vehicle, refinancing gives you the option to take advantage of the lower rates and pay less interest on your loan. Or, perhaps your credit score has improved, and you qualify for better rates. Both these options can help you save money each month and over the life of your loan.

#### How refinancing works.

Auto loan refinancing is a simple process. You'll need to apply and provide your current auto loan paperwork, including the payoff amount, to the credit union. Once reviewed and approved for the auto loan refinance, the credit union will pay off your current lender.

A new loan will be created at the credit union, which will include your new payment and payment schedule. The entire process takes very little time and could help you save money each month going forward. Most of the refinance process can be handled without ever needing to visit a branch.

#### We're here to help

If you're ready to put more money back in your pocket each month by refinancing your auto loan, we're here to help. You can start your application online, stop by any branch location or give your nearest branch a call.

While you're at it, take a look at your mortgage, home equity, or personal loans. We can help with those, too!

## Your Home Repair Plan

### What is should look like & how to fix it

Experts estimate that the average yearly home repairs cost \$1,700. That's a large chunk of money to not have a plan for. If you are a homeowner and you haven't planned for this amount in your spending and savings plan, now is the time to get prepared before any nasty surprises derail you. Here are some thoughts to get you started on the process.

#### Why it's a good idea

Even new homes are going to need repairs; things just have a way of popping up. Try not to fall into the trap of thinking you won't need money for repairs or maintenance for awhile because your home seems fine now. That can really come back to hurt you if you later need to take out costly loans or put repair bills on a credit card.

Also remember that performing routine maintenance now can actually save you a lot of money since it can help you to avoid the huge problems that neglected maintenance can lead to down the road.

Plus, making upgrades to your home can help increase the value of your home, which will be crucial when you want to sell the home or take equity out later.

#### How to estimate your upcoming needs

A common shorthand way of figuring home repair needs is to put at least 1% of your home's value each year toward repairs and maintenance. For example, if your home is worth \$150,000, you should try to put \$1,500 a year, or \$125 a month, into savings for home upkeep.

#### Areas to give special attention

The 1% rule is a handy guideline, but if your home has a problem with its roof, water drainage, heating/cooling systems or foundation, you should be putting 3-4 times more money into savings to deal with it.

#### What you can do right now

If you've already done a spending and savings plan, it's not necessary to complete an entirely new one for these types of expenses. Just examine your current spending plan and see where some money can be moved around to give you some added security. If you can't meet the monthly goal right now, don't fret. Putting even a small amount each month toward eventual fixes is far superior to saving nothing.

It's a good idea to create a separate savings account for home repairs. You may want to include this money in your general emergency savings account, but keep in mind that you may have multiple problems come up within a short amount of time. It's best to have yourself covered for all eventualities.

## 6 Confusing Things About Your Credit Report (and what they mean)

If you don't know how to read your credit file, you could make mistakes that lead to your financial life being harder than it needs to be. Here are some common misinterpretations people make about their credit reports and how to avoid them.

### They have too many student loans listed for me

When student loans are listed on credit reports, they are often broken up into individual loans for each semester you took out a loan. Of course, you still want to make sure all the loans are yours, but don't be surprised if you see a lot of loans listed under the same provider.

### I must be a victim of ID theft. Someone else's name is on my report

When companies like Equifax, Experian, and TransUnion compile your information, they look to gather up all financial information that is being reported for you. In doing so, they may accidentally confuse you with someone with a similar name or other bit of identifying information. This can result in that person's name, address, date of birth, Social Security number, etc. being mistakenly listed on your credit report. You can always have this kind of information removed from your credit report by disputing the information at the website of the bureau that is listing the information. You can access the website for the individual bureaus listed about by simply adding ".com" onto the name of the credit reporting agency.

### I paid that collection account, it shouldn't be on my report anymore

Collection agencies aren't required to remove a collection account from your credit report once you have paid it. All they are required to do is list that the account has been satisfied. Negative accounts like these stay on your credit report for seven years from when the account first went delinquent with the original creditor, whether they are paid or not.

### My credit score is missing

The credit reports we are all entitled to by federal law - available at [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling 877-322-8228 - do not come with a credit score. There is currently no law that automatically provides everyone with a free score. FICO is the company that provides the score most commonly used by lenders. You can purchase a score from them at [www.myfico.com](http://www.myfico.com).

### My date of birth and address are part of lending decisions

When you access your credit reports, you will see that some of your personal information is listed in addition to your financial data. For example, the report may list where you live, when you were born, and who you have worked for recently, among other things. You needn't be worried that this is being used against you when a potential lender is looking at your reports, though. It is illegal for a lender to use age or address when making lending decisions, and these pieces of information are not calculated into your FICO credit score.

### All these inquiries count against my score

When someone other than you looks at your credit report, it results in what is called an "inquiry" being put on your credit report. If you've ever looked at credit reports, you may know that there can be a whole lot of them listed at any one time. Keep in mind that the only inquiries that are ever factored into your score are ones that happened in the past year (even though they stay on your credit report for 2 years), and the ones that were for the purpose of you applying for credit, or financing some other type of financial contract. The other types of inquiries are not counted against you.

## Quarterly Statistics

	May 2021	May 2020
<b>Total Assets</b>	<b>\$184,387,220</b>	<b>\$172,358,909</b>
<b>Total Loans</b>	<b>\$120,205,974</b>	<b>\$124,310,198</b>
<b>Total Deposits</b>	<b>\$156,508,314</b>	<b>\$141,657,519</b>
<b>Total Reserves</b>	<b>\$19,776,525</b>	<b>\$18,605,609</b>

## 21 Items to Keep in Your Safe Deposit Box

If you've decided to get your home finances better organized, one of the tasks on your "to do" list should be checking the contents of your safe deposit box. Is it full of easily replaceable things that don't need to be there? Alternatively, have you left out items that would be difficult or impossible to replace?

We recommend that these 21 essentials be stashed away for safekeeping:

### Family matters

- Your and your spouse's wills. Keep other copies where they can be found by the personal representative who will execute the will, since he or she may not be immediately able to access the box.
- A copy of your passport identification page. Give another copy to a responsible friend or family member, who can fax it if your passport is stolen while you're traveling.
- Birth certificates of all family members.
- Your marriage certificate.
- Separation/divorce papers.
- Social Security cards
- Health information (vaccinations, hospitalizations). You may want to keep another copy at home for quick reference.
- Educational records
- Any professional licenses.
- Military records.

### Property documentation

- The deed for your home and any other property you own.
- Auto, RV and boat titles
- A video inventory of your home.
- Receipts for big-ticket items.
- Your homeowner's insurance policy.
- Home improvement receipts.
- Valuable items: coins, jewelry, etc.

### Financial papers

- A list of your credit cards (with account numbers) and phone numbers to call if the cards are lost.
- Copies of your most recent retirement/investment account statements.
- Original documents for any investments held in your name: stocks certificates, bonds, Treasury securities, U.S. savings bonds.
- Employment contract, if any.

It's a good idea to keep a separate list of your safe deposit box contents, since you may forget what you've stowed in it. Also, make sure someone you trust has the authority to open your box if something happens to you.



**Our 30-Year  
Fixed Rates  
ARE LOW**  
& OUR PROCESS IS  
QUICK AND EASY

Talk to one of  
our mortgage  
experts today!

1st Gateway Credit Union  
P.O. Box 110  
Camanche, IA 52730-0110

Camanche  
563-243-4121

DeWitt  
563-659-5963

Morrison  
815-772-2200

Clinton  
563-243-0524

Fulton  
815-589-9053

Prophetstown  
815-537-2620

Sterling  
815-564-0367

[www.1stgateway.org](http://www.1stgateway.org)

**1ST GATEWAY  
CREDIT UNION**

Federally Insured by NCUA

