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Winter 2011

Quarterly Notes

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lead in loyalty

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Calendar

ALL BRANCHES AND DRIVE-THRU
LANES WILL BE CLOSED FOR THE
FOLLOWING:

Computer System Upgrade:

Noon on Saturday, January 15

Martin Luther King, Jr., Day:

Monday, January 17

President's Day:

Monday, February 21

AHCU 47th Annual Meeting:

Tuesday, April 12
The Courtyards of Andover

New survey: Credit unions on top in customer satisfaction

Credit unions and small banks lead their larger rivals in customer satisfaction and loyalty, according to the Prime Performance 2010 Bank and Credit Union Satisfaction Survey released recently.

The results from the survey of more than 6,000 U.S. bank and credit union customers indicate customer satisfaction is highest at credit unions and small banks. The report analyzes results for credit unions, small banks, large banks and megabanks, including Chase, Bank of America and Wells Fargo (*PRWeb* Dec. 7).

"The Credit Union National Association (CUNA) is not surprised at the finding, because this confirms what study after study have found," said Bill Cheney, CUNA president/CEO. "It's fine to be included with 'small banks' in a survey such as this. However, it's also important to note the very real and fundamental difference between banks and credit unions, regardless of size: Credit unions' not-for-profit, cooperative structure."

"Ultimately, that's what separates all credit unions from the rest, and drives their passion to provide the best service to their members, rather than amass profits," he added.

For big banks, the study revealed that customers question where bank's loyalties really lie. When responding to the statement "My bank does what's best for me, not the bank's bottom line," 16 percent of big bank customers responded that the bank's interest came first. The percentages of negative answers were even higher for three of the best-known names in American banking. Twenty-three percent of Chase and Bank America customers believe their interests came second to the banks. At Wells Fargo, the number was 18 percent.

Only nine percent of small-bank customers believe that their bankers place the bank's interests ahead of those of their customers.

Survey findings included:

- Credit unions and small banks rate highest in meeting their customers' needs.
- Customers believe smaller institutions have the friendliest personnel and Chase the least friendly.
- Customers at credit unions and small banks are far more likely to recommend others use their bank than customers at big banks and mega-banks.
- Customers at credit unions and small banks are far more apt to believe employees want to help them than customers at big banks and mega-banks.
- Customers at credit unions and small banks are more apt to believe employees enjoy their jobs than customers at big banks and megabanks.

Our vision is to enrich peoples' lives by helping
them discover and achieve their dreams.

Join AHCU at its 47th annual membership meeting

Plan to join us as we celebrate our 47th Annual Meeting! You'll have the opportunity to participate in the election of officers, vote on credit union matters, review the Annual Report, and learn about new and existing services.

One of the key aspects of a credit union is having a volunteer, unpaid Board of Directors that is approved by you, our members. This year there are four vacancies; three Board of Directors positions and one Supervisory Committee position. Any active, primary member of Anoka Hennepin Credit Union over the age of 18 may register as a candidate for any of these positions. Please contact Jeff Claussen at 763-422-0290 ext. 220, to be considered. Nominations will be accepted up to and during the Annual Meeting. A vote will be called and tallied, and election results will be announced at the meeting.

Tuesday, April 12, 2011
The Courtyards of Andover
13545 Martin Street NW
Andover, MN 55304
Buffet Dinner: 6:30 – 7:30 p.m.
Business Meeting: 7:30 p.m.

Tickets for the dinner can be purchased at any AHCU location for \$10 each. Members may attend the business portion of the meeting only at no charge.

Participating in your credit union's Annual Meeting is a great way to exercise your ownership in AHCU.

New year, new financial plan

By: Chris Goebel, AHCU Controller

This time of year, people are always making resolutions: Lose weight; Workout more; Get organized. How about making a resolution to become more financially fit? A good way to start is to begin or complete an emergency fund.

Think about this. What would you do if an emergency came up and you needed to pay for something quickly? For instance, what if your car broke down and you needed to pay for repairs? Or a storm caused damage to your home and you needed to pay for the insurance deductible? Maybe your furnace goes out and you have to replace it quickly. Rather than borrowing, or using a credit card, an emergency fund could help you cover the costs of those financial emergencies without costing you additional money in interest, time and fees.

Many financial experts believe that you should have three to six months' worth of household expenses set aside in a savings account. However, for many people, that seems like a daunting task and they forgo putting anything away for that "rainy day". An easier first step is to start smaller. Try saving up to \$1,000 as quickly as possible. Look at your spending and see where you might be able to divert some money. Maybe cut out a cup of coffee once a week, or pass on going out to eat. By focusing on that small goal, you'll be amazed how quickly you can build your fund up.

Once you reach your \$1,000 goal, celebrate! Then keep working on your savings by systematically putting away money. Use payroll deduction or an automatic transfer from your checking account to savings on a regular basis. A staff member at Anoka Hennepin Credit Union can help you with either.

With your emergency fund set, you'll be ready whenever an emergency comes up. You'll also find that emergencies are a lot less stressful when you are prepared for those unknown situations.

Book your reservations or purchase your entertainment packages, at your convenience, on the Internet, 24/7 from any location. Simple, easy, fast, convenient, and affordable. Can't get any better than that!



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763.443.2344
www.TakeAPeekTravel.com

Happy Travels and Memorable Adventures

ZashPay: send and receive money the easy way

ZashPay is a new personal payments service that enables you to send and receive money to those you know, or owe, in as little as one business day—securely and electronically—using AHCU's online Bill*PAY. All you need is their e-mail address or mobile phone number. Go to www.ahcu.coop and click on Bill*PAY. Once you're signed up for Bill*PAY, click on the Pay People tab.

President's message

A recent article was published by the Credit Union National Association stating that consumers are being persuaded that a strategic default—when a borrower who can afford to pay walks away from an underwater mortgage—is a viable tactic. That is hard to read and even harder to live.

When borrowers don't pay back their loans, it costs everyone. Being part of a financial cooperative definitely brings you benefits. Better rates, fewer and lower fees, and a philosophical mindset of doing what's best for you, the member-owner. When things like "strategic defaulting" becomes a trend during a time when the economy is slow, it can deteriorate our asset quality. That trickles down to the member as well.



Jeff Claussen, President/CEO

It's one thing when members default because they lost their jobs or suffered some other hardship and couldn't afford their payments. It's another when affluent homeowners walk away from their primary residences, second homes, and investment properties even though they can afford to make their payments. We have services in place that can help members manage a problematic mortgage. We want to also help those considering walking away from a financial obligation to understand there are great consequences.

In June of last year, Fannie Mae announced several new penalties for strategic defaults, including a ban for at least seven years from qualifying for a Fannie Mae loan.

Keep in mind the effect a strategic default will have on your credit rating and your ability to get credit in the future. Such a move may make short-term economic sense but likely will keep you from getting a loan of any other kind for seven to 10 years.

And walking away doesn't mean lenders have no recourse. In Minnesota, lenders can sue borrowers who had the capacity to pay and did not complete a workout agreement with their lender.

Finally, it's important for consumers to have choices. When financial institutions like Anoka Hennepin Credit Union are forced to focus their energies on these types of issues, it can keep them from being able to serve as a means for fair-priced financial services.

If you need help with your first or second mortgage, or if you are considering a strategic default, please contact us first.

Cooperatively,

Jeff Claussen
President/CEO

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Access your AHCU credit card using your mobile device! The mobile site securely allows you to view your account summary, statement, recent activity, and make payments. Simply click to gotomycard.com on your mobile!

AHCU Chief Financial Officer named CFO of the Year Finalist

The *Minneapolis St. Paul Business Journal* recently announced Anoka Hennepin Credit Union's Chief Financial Officer Martin Waligora as a finalist of its third annual CFO of the Year awards.

Waligora has been with AHCU for 15 years this spring. He originally served as the manager of information systems/controller and was then promoted to vice president of finance/CFO.

"It is rare to find a CFO who not only has a mind for finance but also a keen understanding of operations and overall strategy," said Jeff Claussen, AHCU President/CEO. "His combination of unique skill sets allows for the understanding of the financial implications of every nuance of the business."

The awards, which recognize excellence among top financial executives in the Twin Cities, cover eight categories representing nonprofits, private and public companies. Honorees were selected by panel consisting of members of Financial Executives International and the Association for Corporate Growth.



Martin Waligora

AHCU employee receives recognition Yozamp is awarded the "Shining Star"

Brittany Yozamp, Financial Services Representative at Anoka Hennepin Credit Union, received the credit union's "Shining Star" award recently. The recognition honors credit union employees' exemplary efforts in member service.

"Brittany is deeply committed to our members. She has a great ability to make a personal connection and set them up for financial success," said Kelly Schaum, AHCU St. Francis Branch Manager. "She builds on the relationship each time she meets with a member and they continue to come back to work with her."

Yozamp is in her third year with AHCU. In receiving the award, it was noted by her co-workers that she truly cares about and meets members' needs. She takes the initiative to make a difference also in the lives of her co-workers.

The "Shining Star" award is presented on behalf of the AHCU's Board of Directors. While it is managed by the credit union's Service Standards Committee, the Board chooses the recipient. Winners are chosen quarterly and they receive an award of recognition, their picture and biography on display at each branch location for the quarter and eight hours of paid time off.



Brittany Yozamp

AHCU offers scholarships

Anoka Hennepin Credit Union has scholarship money available for high school seniors continuing their education in an accredited two or four year post secondary institution. Applicants must be AHCU members.

The scholarships will be awarded to credit union members currently attending Anoka, Andover, Blaine, Centennial, Champlin Park, Coon Rapids, Forest Lake, and St. Francis High Schools. Those interested in applying need to complete a one-page application form and submit a typed essay (up to 500 words in length).

The scholarship deadline is March 25, 2011. The scholarship recipients will be selected and announced to schools by April 22, 2011.

Application packets will be available online at www.ahcu.coop, by January 31, 2011. You may also stop by any AHCU branch or call 763-422-0290.

AHCU's Financial University 2011

AHCU devotes time, effort and financial resources to help make dreams come true. We organize a wide variety of financial seminars for the benefit of our members at no cost. We even offer a meal to coincide with the time of the day in which the seminar is held.

In 2011, AHCU continues its series of classes that will constitute "AHCU's Financial University". These seminars are free to both the AHCU membership and to the community. These initiatives are all aimed at making our communities stronger and more financially viable.

Seminar topics include Understanding and Improving Your Credit Score, Protecting Yourself from Identity Theft, Basic Investing, First time Home Buyer, Confident Retirement, Managing Your Finances, Home Buying – Foreclosure Properties, Understanding IRA's, Credit Union Orientation, and Your Money and You – Making Your Budget Work!

For a full list of available seminars or to request a speaker for a topic of your choice, visit www.ahcu.coop and click on Seminars and Events.

Free tax preparation

In cooperation with AARP Tax Aide Foundation, the IRS, and the MN Dept of Revenue, the AHCU Coon Rapids and St. Francis branches offer free tax preparation services between February 1 through April 15 to low to middle income individuals or seniors 60 and older in Anoka County. To book an appointment or ask questions, call 763-422-0290.

NOTICES

Non-member check cashing

Effective January 15, 2011, non-members cashing AHCU member checks at any AHCU branch will be charged \$5 for checks up to \$1000 and \$25 for checks \$1000.01 and greater.

Inactive accounts

Members (over the age of 18) who choose to not use their AHCU accounts within a six month period and also have a combined total account relationship of less than \$250, there is a \$5 monthly charge for the convenience of having an account and not actively using it.

This fee exists because as a financial cooperative, it is important that each member support the cost of our services. Members who use the credit union are doing their part. Those who do not actively use the credit union can support their cooperative with the nominal fee. Fortunately, there are the ways to avoid that fee:

- Transfer accounts you have at other financial institutions.
- Open a checking account and use the AHCU debit card to make purchases and get cash.
- Transfer a vehicle loan from another lender.
- Take out a HELOC for upcoming college expenses or home improvements.
- Take out a second mortgage to consolidate some or all of your debt.
- Transfer your credit cards to an AHCU MasterCard®.
- Have your paycheck automatically deposited into your account using Direct Deposit.
- Have more than \$250 in your combined accounts (if you are not going to actively use them in six months).

The great thing about your credit union is you can live anywhere and still benefit from the services available. We make it easy! Check out all of your options at www.ahcu.coop.

Individual Retirement Accounts

The IRA (Individual Retirement Account) has been a big part of retirement planning and the retirement planning process for individuals for the past 36 years.

Now, the role of the IRA may grow considerably larger and more important to individuals as they save for retirement. In the coming years individuals may need to rely more on their own savings vs. government programs for retirement income as the focus will be on reducing federal spending at all levels.

The type of IRA which best fits your needs depends upon your income and whether you will benefit more from Tax Deductible Contributions while growing the IRA (Traditional IRA) or Tax Free Distributions at retirement (Roth IRA).

To learn more about the different IRA options available and whether you qualify to utilize them, call our CU Companies Financial Advisor, Dave Murdock, located at Anoka Hennepin Credit Union at 651-765-6777.

"Securities and Investment Advisory Services are offered through Financial Network Investment Corporation, a registered broker/dealer and member SIPC. Financial Network is not an affiliate of CU Companies or Anoka Hennepin Credit Union."

"Mutual funds, annuities and other investments available through Financial Network are not insured by NCUSIF or any federal government agency, are not deposits, or obligations of nor guaranteed by Anoka Hennepin Credit Union, or any other affiliated entity. Investments are subject to investment risks including loss of principal invested."

AHCU invests in its communities

Anoka Hennepin Credit Union employees donated 670 hours of time to local, non-profit organizations in 2010. The credit union launched this community service program as a way to give back to its communities during a time when support monies are low.

"At Anoka Hennepin Credit Union, 'People Helping People' isn't just a philosophy, it's a practical way in which we run our business every day," said Christina Akinola, AHCU Business and Community Coordinator. "We needed to make some budget cuts to flow better with the economy but we didn't want to cut out our contributions to our communities."

AHCU contributed by giving staff up to 20 paid hours throughout the year to share their time and expertise within the community. Some of the organizations impacted were CEAP, Rise Inc, ACCAP, ACBC Food Shelf, Stepping Stone Emergency Shelter, Feed My Starving Children, Susan G Komen's Race for the Cure, Volunteers of America, Disabled American Veterans, various schools and school programs.

AHCU also raised funds to support its annual Adopt-a-Family and Toys for Tots programs. In this effort AHCU raised \$1,178 and collected more than 1200 toys!

AHCU has student loan options

No matter what your educational goals and dreams are, Anoka Hennepin Credit Union is here to help you reach them. Check out your options at www.ahcu.coop or call us today at 763-422-0290.



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