

## IRA Advantages

## ENHANCE YOUR RETIREMENT SAVINGS

Even if you have a 401(k), an IRA can give your savings a big boost. IRAs (Individual Retirement Accounts) are an excellent way to build long-term savings. At GCU you can fund either type of IRA with as little as \$500. To take advantage of the significant tax benefits, it makes sense to contribute your maximum limit each year. The chart (right) shows the maximum dollar amount individuals are allowed to deposit into an IRA. After this year, the contribution limits may be raised, depending upon the level of inflation, but for now the limits shown are current.

It's important to know that if you deposited less than the maximum of \$5,000 in 2008 to your IRA, you have until April 15, 2009 to make additional contributions. Contact us today to maximize your contributions for the year. There are advantages to each of the two types of retirement IRAs. Simply said:

A **Traditional IRA** offers tax-deferred growth, meaning you pay taxes on your investment gains only when you make withdrawals in retirement, and, if you qualify, your contributions may be deductible.

A **Roth IRA**, by contrast, doesn't allow for deductible contributions but offers tax-free growth, meaning you owe no tax when you make withdrawals in retirement.

For more information on which type of account best suits your savings goals check with your tax advisor or the IRS website at <http://www.irs.gov>. As always we remind you to make sure you keep a minimum of \$7,500 in your GCU IRA accounts to avoid a \$28 annual maintenance fee. So feel free to call us if you want to roll other funds into an IRA today! ■

\*There are restrictions for contributions based on income, and the rules for each type of retirement IRA differ. Please consult your tax advisor if you have questions regarding your specific situation or go to <http://www.irs.gov/> for more and current information.

### IRA Contribution Limit Summary\*

YEAR	CONTRIBUTION	AGE 50+ (Catch-up contribution)
2008	\$5,000	+ \$1,000
2009	\$5,000	+ \$1,000



## SIMPLIFY & ORGANIZE

### Simplify Your Transactions

1) Direct Deposit automatically deposits your paycheck and other regular income such as Social Security, disability or unemployment to your credit union account. GCU is a Go Direct partner for Social Security direct deposits. Don't forget—you'll still receive a document for your records—you just won't have to make an extra trip to the credit union! It's safe, reliable and convenient. Direct deposit is also a great way to help secure a loan or get a better rate. Ask us for details.

2) Payroll Deductions can be arranged to regularly pay your mortgage, utility bills, insurance premiums and other recurring charges—avoiding the hassles of making scheduled payments and any late charges or service interruptions. Payroll Deductions can also be arranged to make routine deposits to build your savings account.

3) Audio-teller allows you to 'bank' by telephone and confirm which checks or

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## NEWS TO NOTE

- GCU accounts are federally insured to \$250,000 plus. Call us or visit our website for details.
- Get your tax documents in order NOW. You can download statements from FlexTeller online.
- We have money to lend! Need a little cash to start New Year projects? Take a \$1,000 or more signature loan. You can complete our loan application online.



- Have your drink, and pay for it, too. The Allpoint Network is now in 7-Eleven stores. Allpoint = FREE ATMs.
- Need a little relief? A January Skip-A-Payment option may be available on your loan(s). Ask for details today!
- GCU's Check-Plus Account earns interest and offers many FREE features. Contact us to make the switch. ■



## GET INVOLVED

A big thanks to GCU members, Joe Munda and Mikey Vilches (Gina's son) who were Santa and the Elf, respectively during our Toys for Tots event in December. We had a great collection, thanks to all of you. There are many ways you can become involved in the credit union. Just ask us about GCU volunteer opportunities. ■

## Sticking to a Financial Plan

# BUDGET BOOT CAMP

Take these steps to keep more money in your pocket this year.

### **Basic Training: track your expenses**

It may be difficult to think about writing down what you spend every day. But not only do experts insist that it is the first and most important step for any significant change in your financial habits—it really works!! A wise person once said, “Watch your pennies and the dollars will take care of themselves.” Keep a notebook handy for a full month—no cheating. ATM withdrawal? Post it. Cash back with a purchase? Detail every dime. For example—\$20 cash and \$1.50 in fees at the ATM, \$12.00 gas, \$1.25 coffee, 50 cents newspaper, \$3.00 greeting card and so on! This is where you find out why your money seems to slip through your fingers. Couples may want to review each other’s notes as well. Stop in to GCU for a FREE debit card sleeve/register for this purpose. It also holds receipts—and it is smart to keep all of them. Finally, check your account online each day to make sure you record every receipt or debit.

### **Build Morale: set goals**

Managing your money better is an admirable goal, but not as motivating as saving for your new car, home or paying off the student loans. Create a picture scrapbook for each objective and set specific timelines for achieving it. Divide your goals into measurable chunks, assess periodically, and you’ll have a reason to pass up your morning latte for the free office coffee.

### **Specialize Your Operations: find places to trim back**

Once you know what you’re spending your money on, you can work on being more frugal. Note: cutting back—rather than cutting out—the extras is a more successful strategy. Have some money-saving ideas? Email us at [memberservice@glenviewcu.org](mailto:memberservice@glenviewcu.org) with the word IDEA in the subject line.

### **Lead the Way: pay yourself first**

You can quickly build yourself a “cushion” of funds to shield you from tough times by making your savings deposits automatic. Set up direct deposit and/or payroll deduction with us today to make saving painless and effective. Pay yourself first—make your savings deposit the same day you receive your paycheck. Start small—whatever you can afford—and work up to saving 10% of your income as soon as you can.

### **Don’t Get Drafted: fees can add up and drag you down**

Overdrafts can add up if you don’t watch your account. How does this happen? You may have fees you didn’t expect. For example, utility bills paid via check-by-phone carry fees up to \$10 per transaction! So ask before you transact. Also, as soon as you write a check, it is active currency, which can be processed immediately or electronically. Postdating has no effect, and checks don’t really expire. So don’t write checks that are not good to cash; they can cost you NSF or overdraft fees, causing a domino effect on your account! You can also incur overdraft fees on a debit card. Be a good manager of your finances.

### **Command Respect: lower your interest rates on everything**

Check the interest rate on every credit account you have, from your mortgage to your auto loan to your smallest credit card. Compare these rates to the current rates at Glenview Credit Union. If you financed anything elsewhere, chances are excellent that we can lower your interest rate, change your terms and probably lower your monthly payment as well.

Your credit union exists to help its members save and borrow affordably. We’re constantly reassessing our rates and fees in order to be your most competitive option. Whether you’re noticing a slight difference in your discretionary funds, or having major difficulties paying your bills, we are here to help you meet your financial goals. Stop in and see us or contact our representatives at **847-724-1800**. We have immediate answers to all your money questions. ■



## SIMPLIFY (cont.)

deposits have cleared, obtain account balance(s) and even transfer money between your credit union accounts.

4) Flex-Teller gives you 24/7 access to your account. Balance your checkbook, transfer funds and pay bills online. Receive your statements safely each month—eliminating any financial information sitting in your mailbox. Plus, access up to 3 years of history. Let us know your email address and we’ll get you set up quickly.

5) Bill Pay (Our FREE online bill payment program) helps you manage your credit union accounts via Internet quickly and easily from your desktop, 24/7/365. It costs less than postage, and you’re protected by the highest industry standard encryption security.

6) E-Alerts. Set up phone and/or email alerts for simple, easy notification when your account balance is low, a deposit or transfer is made.

### **Organize Your Finances**

1) Create and maintain current files of your financial statements, insurance policies, and other personal records—including passports, medical directives, prescriptions and estate plan documents—preferably in a fire/waterproof safe.

2) Store essential documents safely. Rent a safe deposit box for original birth certificates, photos and important contracts; or scan and digitally store them; or at least seal them in fireproof / waterproof containers to prevent damage. These precautions prevent headaches later. Give duplicates to loved ones and/or inform them of where to find your records in an emergency. These websites offer FREE lists of what you must save:

- Operation Hope Emergency Financial First Aid Kit: [www.operationhope.org](http://www.operationhope.org)
- Today’s Seniors (Not just for seniors!): [www.todaysseniors.com/pages/Organizers.html](http://www.todaysseniors.com/pages/Organizers.html)

3) Shred & discard unneeded old documents; your accountant/attorney can advise you on destroying financial records. Usually cancelled checks that support tax returns (charitable contributions, investments, home repair costs, tax payments) should be held for seven years, but others can be destroyed after a year. Your GCU e-statements are ‘filed’ online, so you can go back 3 years if needed. If you don’t need them for tax purposes, also destroy records for old accounts, life insurance policies and other assets you no longer own.

For assistance in simplifying and organizing your finances, talk to us! **We’re here to help you make 2009 your best year ever.** ■