

ONtrack

an educational publication for friends and members of



July - September | 2010

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A HELOC Points You to Affordable Credit

A City of Memphis Credit Union Home Equity Line of Credit (HELOC) is a great source of affordable credit for a wide range of needs. Fix up your home, pay for college, consolidate bills or use it for any reason.

COMCU offers excellent rates and terms:

- **Low rate of 4% APR*** when you borrow up to 80% of the value of your home
- **Low rate of 5.00% APR**** when you borrow up to 90% of the value of your home
- **NO application fees**
- **NO points and NO pre-payment penalties**
- **Interest may be tax deductible*****
- **Quick turnaround time**
- **NO closing costs******

THERE IS NO FEE FOR BALANCE TRANSFERS!

Consolidating debt into one low monthly payment is a great financial strategy that can save you hundreds or even thousands of dollars in the long run. Transfer your high-rate credit card and loan balances to your COMCU HELOC and save! Apply at our Mt. Moriah Branch office today.

*Annual Percentage Rate (APR) of 4.00% APR for 80% loan is effective 7/01/10 and is subject to change without notice. 3.25% APR is our Current Formula Rate (with a floor rate of 4%), which will be used for any later adjustments. The maximum rate that may apply to a HELOC is 18.00% APR. HELOC's are available on principal residences only.

** Annual Percentage Rate (APR) of 5.00% APR for 90% loan is effective 7/01/10 and is subject to change without notice. 3.25% APR is our Current Formula Rate (with a floor rate of 5%), which will be used for any later adjustments. The maximum rate that may apply to a HELOC is 18.00% APR. HELOC's are available on principal residences only.

***Be sure to check with your tax advisor.

****Minimum loan amount to incur no closing costs is \$20,000

Membership with COMCU is for LIFE

For 51 years, your credit union has served your needs with value and service. Guided by our philosophy of "people helping people", your City of Memphis Credit Union is locally owned and operated, and all decisions are made right here in Memphis— not in some far away corporate headquarters.

We've been helping members achieve their goals and dreams— at every stage of life— with:

- Caring personal service— you are our priority
- Competitive yields on savings, certificates of deposits and IRA accounts
- Some of the lowest loan and credit card rates in Memphis
- Checking accounts with no monthly service charge or minimum balance requirements
- Secure 24-hour convenience with our free online banking and bill payment programs
- Up to \$250,000 deposit insurance on your savings

The value we provide through our products and services is a direct reflection of how much we value you.

TEN THINGS to THINK ABOUT when BUYING a CAR

Do a little homework and before you step foot in a dealership, arm yourself with the following ten tips. If you don't, you could be taken for a ride!

1. Be careful of what you say to your salesman. Three things to never say on the lot: "I need this car now" (desperation breeds price inflation); "I love this car" (emotions make you vulnerable); and "This is how much I can afford to pay per month" (talk about the absolute price of a car, not the monthly payment.)

2. Do your homework. Walking into a dealership open to any ideas the salesperson has is a bad idea -- it makes you vulnerable to impulsively buying something you don't need, can't afford or ultimately won't want. Determining the market value of your car will help you know where to begin negotiations on the starting price of the vehicle. Click on the KEYS symbol on our website www.cityofmemphiscu.org for help in determining the cost of the new car you're looking at and to get the value of the used car you might be trading in.

3. Be realistic about what you need. Before you hit the showroom floor, take a hard look at the kind of driving you do. Don't assume you need a brand-new car; a used one might even be a better fit!

4. Wouldn't you rather own the car you are paying for? Lease payments, especially for luxury cars, don't require a down payment and are often cheaper per month than what it costs to buy the car outright. But they don't always pay off. You've got to determine if having a new car every two or three years with no down payment-- but no ownership and no stake in the residual value-- is more important than long-term cost savings and ownership of a vehicle you will eventually pay off.

5. Don't let the dealership assume you'll be financing through them. Check our rates and preapproval process at the City of Memphis Credit Union. Instead of going through the dealership, arrange for financing with us. And choose the shortest-term car loan you can; long-term loans coax people into buying more car than they should afford. Payments can be stretched over such a long period that the car is almost fully depreciated by the time it's paid off.



6. Sometimes there are better dealer incentives at the end of the month. Dealers don't offer their best deals or incentives until the end of the month, when they realize how close (or far) they are from hitting monthly sales goals. So if you can, wait it out.

7. Buying at the beginning of the year may not be the best time to purchase that new car. Dealers have less incentive to give you a great deal at the start of the year, when their inventory is brand-new and they have 12 months to hit annual sales targets.

8. Beware of discussing the trade-in deal during the new-car negotiation. Be honest at the beginning that you may want to trade in your old vehicle-- but keep the new-car purchase discussion and the trade-in value discussion separate. If the purchase and the trade become one big transaction, it's easier for the dealer to fudge on how much you actually pay for the new car.

9. Don't assume a hybrid is "greener" than gasoline or diesel. Hybrids use less fuel than gasoline-powered cars of the same model, but they don't always offer huge gains and their price tag on the front end is higher.

10. Visit more than one dealership. Don't hesitate to walk off the lot if a dealer can't meet your terms or expectations. The more you know about the options one dealer is offering, the stronger your negotiating position with another. And don't forget to call your favorite COMCU loan counselor for help in new car pricing using our GOLD KEY PROGRAM.

SPRING FEVER AUTO PROMOTION NOW EXTENDED to AUG. 15th!

Do you have the new car fever? Already bought a car, but want to lower your interest rate? You still have time to finance with your credit union. But HURRY! Our Spring Fever Auto Promotion is only extended through August 15th!

**3.99%* Auto Loan Rate
&
\$50 Gas Card****

Thinking about buying a motorcycle? Need a boat to take to the lake? An RV for traveling?

You've got the fever and we've got special interest rates of 3.99% * and a \$50 Gas Card** to fill up the tank.

Whether you're looking at buying a new or used car, whether you're ready to lower your monthly loan payment with a new lower rate, whether you're ready for a boat, an RV or your "dream" motorcycle, now is the time with our great Spring Fever financing specials.

Whatever your vehicle needs might be, call us at 901-321-1200 or stop by your nearest City of Memphis Credit Union office today!

*Loan rates vary, and are determined by each individual's credit history. All loans are subject to credit approval. Restrictions may apply. COMCU refinances do not apply. Offer good through Aug 15, 2010.

**\$50 gas card provided at auto loan closing, one card per household limit. Minimum loan amount to qualify for gas card is \$7,500.

IMPORTANT INFORMATION ABOUT A NEW GOVERNMENT REGULATION YOU NEED TO MAKE A CHOICE!

After August 15, 2010, new regulations will prohibit us from authorizing and paying overdrafts for ATM and everyday debit card transactions, when they are subject to a fee, unless you, as our member, give us permission to do so.

UNLIKE SOME BANKS AND OTHER FINANCIAL INSTITUTIONS, THE CITY OF MEMPHIS CREDIT UNION OFFERS YOU THIS CHOICE:

If you DO choose to OPT IN to the payment of these overdrafts, you will allow the City of Memphis Credit Union the opportunity to authorize and pay ATM and everyday debit card transactions even though you may not have sufficient funds in your checking account at the time. However, we will pay overdrafts at our discretion, which means we do not guarantee that these items will always be paid. You will also receive alerts at City of Memphis Credit Union ATMs if the withdrawal transaction may cause you to overdraw your account, giving you the choice on how to proceed.

OR

If you DO NOT consent to the payment into overdraft of ATM and everyday debit transactions, any transaction in excess of your account balance will be declined at the ATM or a merchant/store when using your debit card. (This will happen if you choose to opt-out or if you don't reply by August 1, 2010.) **Please note:** If you have multiple checking accounts with us, you must make the decision to Opt-In or Opt-Out on each account.

Use this form to OPT IN or OPT OUT. Mark your selection, complete the information requested, and return it to: City of Memphis Credit Union / Attn: Compliance Department / 2608 Avery Avenue / Memphis, TN 38112. You may also fax it to 901-525-0775 or scan and email it to office@cityofmemphiscu.org.

Choose one:

OPT IN. I want City of Memphis Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

OPT OUT. I do not want City of Memphis Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Please print neatly:

Member Number: _____ Checking Account Number _____

Your name as it appears on your account: _____

Address: _____

City: _____ St: _____ Zip: _____

Day phone: _____ Evening Phone: _____

Signature: _____ Date: _____

If you have more than one City of Memphis Credit Union checking account, a separate form is required for each account. You may choose different options for each account. You may copy this form as needed.

BOARD OF DIRECTORS

Van Sturdivant
Chairman

Barbara Arnold Farmer
1st Vice-Chairman

Charles E. Chumley
2nd Vice-Chairman

J. Harvey Herring
Treasurer

Terri W. Brown
Secretary

Bill Oldham
Director

Wanda Corcoran
Director

Jacqueline Toney
Director

Norvell Wallace
Director

LOCATIONS

Main Office

2608 Avery Ave.
Memphis, TN 38112
Phone: 321-1200
Toll-Free: 1-877-825-3180
Fax: 321-1212

Downtown Branch

109 North Main St.
Memphis, TN 38115
Phone: 528-0700
Fax: 525-0775

Mt. Moriah Branch

2678 Mt. Moriah Terrace
Memphis, TN 38115
Phone: 360-1818
Toll-Free: 1-877-825-8517
Fax: 363-9736

Raleigh Branch

2897 Covington Pike
Memphis, TN 38115
Phone: 385-1783
Fax: 385-1275

Whitehaven Branch

1264 East Shelby Dr.
Memphis, TN 38116
Phone: 398-1101
Fax: 398-4402

Whitten Road Branch

1900 Whitten Rd. Ste 102
Memphis, TN 38133
Phone: 869-4135
Fax: 869-4139

Free Home Banking/Bill Pay

www.cityofmemphiscu.org

EMPLOYEE OF THE QUARTER



Levore Arenz

Join us in congratulating Levore Arenz as our employee of the quarter! Levore joined the City of Memphis Credit Union as a part-time teller at our Mt. Moriah branch in July 2008.

As a new employee, she quickly showed her desire to be promoted and was delighted to become a full time teller in October of that same year! She is one of the smiling faces you currently see at our Whitten Branch.

Upon being told that she had received this honor, Levore beamed and said "I am so happy that I was nominated and chosen the Employee of the Quarter! I am delighted to work at Whitten with good co-workers and very happy to help out any way I can."

Whitten Branch Manager, Donna Stoebner is proud that Levore has received this recognition. "She is a very hard worker, very friendly and helpful to the members and fellow employees-- making her a great asset to the Whitten team."

Levore and her husband, Michael, have been married for 4 years and they are expecting their first child in November. She is the oldest of 4 girls and enjoys traveling to her hometown of Starkville, MS to spend time with her family.

When she does have a little spare time, she enjoys reading, cooking and watching football with her husband.

HOLIDAY CLOSINGS 3rd Quarter 2010

Monday, July 5 Independence Day (observed)
Monday, September 6 Labor Day
Monday, October 11 Columbus Day

Even when we are closed, you can still access your account via Home Banking at www.cityofmemphiscu.org or use our 24-Hour audio teller at (901) 321-1234.

MARKET WATCH



FINANCIAL HIGHLIGHTS¹

Total Shares:	\$177,749,853
Total Loans:	\$ 91,650,321
Total Assets:	\$221,173,660
Total Members:	22,976

¹ As of May 31, 2010.

SAVINGS RATES

	APY ²
Regular/Special Share	0.10 - 0.40%
Christmas Club	0.10 - 0.40%
Money Market	0.75%
Accumulative IRA	0.10 - 0.40%
Checking ²	0.35%

CERTIFICATE RATES

	APY ²
6 Month Certificate or IRA	1.50%
12 Month Certificate or IRA	1.70%
30 Month Certificate or IRA	2.00%
42 Month Certificate or IRA	2.40%

² APY is Annual Percentage Yield. Rates effective 6/11/2010 and subject to change without notice. Minimum \$1000 average daily balance required to earn dividends in a checking account. The Annual Percentage Yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings. Penalty for early maturity of certificate is 60 days of interest on amount withdrawn. There is no difference in the penalty for an IRA or Regular Share Certificate. The penalty could be more than the accrued dividends and therefore come from the principle of the certificate. Interest shall be paid and compounded on IRA and Certificates on a quarterly basis.

LOAN RATES

	APR ³
Signature/Co-Maker:	9.50%
MasterCard	11.45%
New/Used Vehicle:	5.25%
New/Used Motorcycle	5.25%
New/Used RVs/ Motorhomes	5.25%
New/Used Boats	5.25%
New/Used Farm Equipment	5.25%
Share Secured	2% over dividend rate earned on share acct
Certificate Secured	3% over dividend rate earned on certificate

REAL ESTATE LOANS

	APR ³
Home Equity, 15 yr, 80%, variable	4.00%
Home Equity, 15 yr, 90%, variable	5.00%
1st Mortgage, 15 yr, fixed	4.50%
1st Mortgage, 5-yr float, variable	4.50%

³ APR is Annual Percentage Rate. Advertised rate is our lowest available rate and may be higher depending on credit performance. Rates effective 6/11/2010 and are subject to change without notice. Terms and rates are based on credit performance.

Certain fees and conditions may apply to real-estate loans. For complete details, please call Cheryl Jackson or Teresa Xiques at (901) 360-1818

