

# Sunrise Club NEWS

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## Credit Unions: Different by Design



Can credit unions stay healthy in these tough economic times? Mike Schenk, an economist with the Credit Union National Association in Madison, Wis., answers a few questions.

**How are credit unions doing in this troubled economy?** Despite the challenges today, credit unions remain well capitalized, with average capital ratios that are roughly double the minimum required by regulators. What that means is that credit unions have a lot of wiggle room to absorb mistakes or losses.

**Why are credit unions doing well while other types of financial institutions are struggling, even failing?** Most credit unions didn't participate in the activities that caused the economic problems, namely subprime mortgage lending. Unlike credit unions, the for-profit lenders made a lot of profit for themselves by originating these mortgages, but at the expense of incautious consumers, many of whom shouldn't have been given these loans in the first place.

**Why didn't credit unions make these mortgages?** One key reason is that their members are owners. Credit unions knew that ultimately these mortgages would not be in their members' best interests. The for-profit sector's primary concern isn't consumers' best interests. They're focused on generating income for stockholders. Also, by and large, credit unions are portfolio lenders. That means they hold in their portfolios most of the loans they originate instead of selling them to investors. In the past several years, credit unions have held roughly 70% of the mortgages they originated. So they care about the financial performance of those loans.

**Should I worry about the money I have in my credit union?** There's no need to worry. Credit unions have federal insurance just like bank deposits do. Congress has temporarily increased the insured deposit limit from \$100,000 to \$250,000 until Dec. 31, 2009. Congress will decide in 2009 whether or not to make the increase permanent. If you have questions about coverage limitations give us a call at the Credit Union.

**So credit unions truly are different?** In normal times, the difference between credit unions and other players in the financial marketplace isn't quite as obvious to a lot of people. In the current economy, the credit union difference is more visible to everyone—consumers and policymakers. Credit unions are well positioned to do what they do best: help people in times of need.

**Recipe** Serves: \_\_\_\_\_  
Dish: \_\_\_\_\_  
**Potato Vegetable Soup**

2 1/2 c. water	1 T olive oil
2 potatoes, cubed	1/2 c. frozen mixed vegetables
1 T. salt	1 can cream of celery soup
1 carrot, chopped	1/4 tsp dried parsley
1 stalk celery, chopped	1/2 tsp. Onion powder
1/4 onion, chopped	black pepper to taste
1 cube beef bouillon	

In a large stock pot, boil potatoes in water and salt. Cook potatoes until tender— then add carrots, celery, onions, vegetables, oil and bouillon. Cook until veggies are tender. Add cream of celery soup, and season with onion powder, parsley and pepper. Heat through and serve!

## ENTER TO WIN

a \$50 Credit Union VISA Gift Card!

Would you like to win a \$50 VISA Gift Card? Simply fill out the form below or enter online at our website [www.gaselectriccu.com](http://www.gaselectriccu.com). Click on Member Clubs on the menu on the bottom and then Sunrise Club. Please note that we also have an extra question for you this time—we appreciate your input!

Name: \_\_\_\_\_

Mail or drop off entry to Gas & Electric Credit Union: 2300 4th Avenue, Rock Island, IL 61201.

Congrats to Ken Nelson! He was our winner of the \$50 VISA card last quarter!

Do you have a recipe you would like to share? Please drop it off at the Credit Union or mail it in— we would love to share it!

## Kids Join Free in January! Enter to win a Nintendo DS



Do you have grandchildren that have yet to join the Credit Union? Now is a great time to join us! For starters, all of our young members (age 17 and younger) join FREE in January. PLUS, all will be entered into a drawing for a Nintendo DS!

The goal for our youth program is to help make saving money fun, while demonstrating the power of savings to help youngsters reach their goals. All young members at Gas & Electric Credit Union between the ages of 5 and 18 receive an educational newsletter every quarter— specifically designed for their particular age group. Each newsletter allows the child to not only learn more about money and saving, but also includes a chance to win a \$25 gift card! Give us a call or stop by today if you have any questions about our Youth Programs or membership at the Credit Union.

## Sunrise Club CD Special!



Here's our special CD rates just for our Sunrise Club members for the month of January! Be sure to ask for the special Sunrise Club rate when you open the CD.

	RATE	APY
6 MONTH	2.765%	2.80%
12 MONTH	3.057%	3.10%
18 MONTH	3.251%	3.30%
24 MONTH	3.348%	3.40%
36 MONTH	3.542%	3.60%



### Call ...

#### 1. Credit bureau fraud unit (call one):

TransUnion; 800-680-7289  
Equifax; 800-525-6285  
Experian; 888-397-3742

#### 2. Creditors

Close affected accounts. Fill out and mail the ID theft affidavit ([ftc.gov/bcp/edu/microsites/idtheft/](http://ftc.gov/bcp/edu/microsites/idtheft/)).

#### 3. Local law enforcement

File a police report and get copies. Start where ID theft took place.

#### 4. FTC hotline

877-IDTheft (877-438-4338).

Visit [ftc.gov/bcp/edu/microsites/idtheft/](http://ftc.gov/bcp/edu/microsites/idtheft/) for more information.

2300 4th Avenue  
Rock Island IL 61201

Growing With You, Caring For You

Credit Union



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