

# Memberlink

Summer 2013

Your Quarterly Guide To Connecting You

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Online Services  
Make it Easy.

wccucreditunion.coop



## What would you do... if you couldn't go home?

Unfortunately, the news has been full of headlines about natural disasters across the country. We see pictures of loss and destruction. And while we feel for those affected, it is hard to comprehend what we would do if that happened to us.

### Financial Readiness in an Emergency

Home is where most of us feel safe and comfortable. But when a flood, tornado, fire, or other disaster strikes --- staying in your house may not be an option. Sometimes it is safest to pack up and go to another location; and other times, choosing to go back to your home may not be an option.

**Conduct a household inventory today. Make a list of your possessions and document it with photos or a video.** This could help if you are filing insurance claims. Keep one copy of your inventory in your home on a shelf in a lockable, fireproof file box; keep another in a safe deposit box or other secure location.

**Buy a lockable, fireproof file box.** Place important documents in the box; keep the box in a secure, accessible location on a shelf in your home so that you can "grab it and go" if the need arises. Among the contents:

- your household inventory
- a list of emergency contacts, including family members who live outside your area

- copies of current prescriptions
- health insurance cards or information
- policy numbers for auto, flood, renter's, or homeowner's insurance, and a list of telephone numbers of your insurance companies
- copies of other important financial and family records (or notes about where they are) including deeds, titles, wills, birth and marriage certificates, passports, and relevant employee benefit and retirement documents. Except for wills, keep originals in a safe deposit box or some other location. If you have a will, ask your attorney to keep the original document.
- a list of phone numbers or email addresses of your creditors, financial institutions, landlords, and utility companies (sewer, water, gas, electric, telephone, cable)



Continued on page 4

# Making the Most of Your 401(k) Plan



Brandi Walton,  
Investment Professional

A 401(k) plan represents one of the most powerful retirement savings opportunities available today. If your employer offers a 401(k) plan and you're not participating in it, you should be.

## Contribute as much as possible

The more you can save for retirement, the better your chances of enjoying a comfortable retirement. If you can, max out your contribution up to the legal limit (\$17,500 in 2013, \$23,000 if you're age 50 or older). If you need to free up money to do that, try to cut certain expenses. (Note: some plans limit the amount you can contribute.)

Why invest your retirement dollars in a 401(k) plan instead of somewhere else? One reason is that your pretax contributions lower your taxable income for the year. This means you save money in taxes immediately when you contribute to the plan--a big advantage if you're in a high tax bracket. For example, if you earn \$100,000 a year and contribute \$17,500 to a 401(k) plan, you'll only pay federal income taxes on \$82,500 instead of \$100,000.

Another reason is the power of tax-deferred growth. Any investment earnings compound year after year and aren't taxable as long as they remain in the plan. Over the long term, this gives you the opportunity to build a substantial sum in your employer's plan. (Your pretax contributions and any earnings will be taxed when paid to you from the plan.)

## Consider Roth contributions

Your 401(k) plan may also allow you to make after-tax Roth contributions. Unlike pre-tax contributions, Roth contributions don't lower your current taxable income so there's no immediate tax savings. But because you've already paid taxes on those contributions, they're free from federal income taxes when paid from the plan. And if your distribution is "qualified" (that is, the distribution is made after you satisfy a five-year holding period, and after you reach age 59½, become disabled, or die) any earnings are also tax free.

If your distribution isn't qualified, any earnings you receive are subject to income tax. A 10% early distribution penalty may also be imposed if you haven't reached age 59½ (unless an exception applies).

**For more information or a complementary consultation call any of our WCCU offices and ask to speak with Brandi at extention #1109.**

## Capture the full employer match

Many employers will match all or part of your contributions. If you can't max out your 401(k) contributions, you should at least try to contribute as much as necessary to get the full employer match. Employer matching contributions are basically free money. By capturing the full benefit of your employer's match, you'll be surprised how much faster your balance grows. If you don't take advantage of your employer's generosity, you could be passing up a significant contribution towards your retirement.



Jim Maginnis,  
Investment Consultant

## Access funds if you must

Another beneficial feature that many 401(k) plans offer is the ability to borrow against your vested balance at a reasonable interest rate.



You can use a plan loan to pay off high-interest debts or meet other large expenses, like the purchase of a car. You typically won't be taxed or penalized on amounts you borrow as long as the loan is repaid within five years. Immediate repayment may be required, however, if you leave your employer--if you can't repay the loan, you may be treated as having taken a taxable distribution from the plan.

And remember that when you take a loan from your 401(k) plan, the funds you borrow are generally removed from your plan account until you repay the loan, so you may miss out on the opportunity for additional tax-deferred investment earnings.

So loans (and withdrawals if available) should be a last resort.

## Evaluate your investment choices

Choose your investments carefully. The right investment mix could be one of your keys to a comfortable retirement. That's because over the long term, varying rates of return can make a big difference in the size of your 401(k) plan account.

*Brandi Walton offers securities through Commonwealth Financial Network®, member FINRA/SIPC. Jim Maginnis offers securities and advisory services through Commonwealth Financial Network®, member FINRA/SIPC, a Registered Investment Adviser.*

*Fixed insurance products and services offered by WCCU Investment Consultants are separate and unrelated to Commonwealth.*

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# Credit Unions and Service Go Hand-in-Hand

## What service means to the industry.

Right from the start, credit unions have been about members serving each other. Our directors are members as well as our staff. All of us perform our duties for you, our members.

Because of this structure, and our not-for-profit nature, credit unions have been exempt from corporate income tax. (note: credit unions do pay all other taxes including sales tax, employment taxes and property tax.) As congress contemplates reworking the tax code, it will be necessary for us to remind them that we earn that tax exemption every day. For example, a recent CUNA study shows that the credit unions of Wisconsin have saved Wisconsin consumers nearly \$1 billion since the beginning of the great recession through better rates and lower fees.

As members serving members, it is our mission to provide the opportunities for our members to succeed, and our current tax structure is an important part of this equation. For the sake of the member owned credit union movement, it may become necessary to ask you to help us remind our legislators to keep this part of the "new" tax code.

## What service means to our members.

WCCU was built on the philosophy of "people helping people". In June, we have two long term staff members retiring from WCCU.



Congratulations and best wishes to Kaylene Nelson and Faye McClurg.

Faye McClurg began serving WCCU members 34 years ago. Over the years, she has built countless relationships with members and their families. She touched many lives and spent many days both laughing and crying with members. She brought a special touch to those she has served and will always be remembered for her compassion and willingness to help.

Kaylene Nelson joined our WCCU team 16 years ago. She has served WCCU members in various capacities. She worked in Westby as both a consumer and mortgage lender. She also spent some time as a lender in Viroqua. Kaylene spent her most recent years with WCCU as a Collections Officer. She has been a great asset to WCCU and to our members. She has built many relationships over the years as she helped and guided many members through difficult financial situations.

These two ladies exemplify the WCCU philosophy. We are extremely proud of the work they have done for our members and we are honored that they have completed their service careers with us. We wish Faye and Kaylene well with all their future endeavors, and thank them for their service.

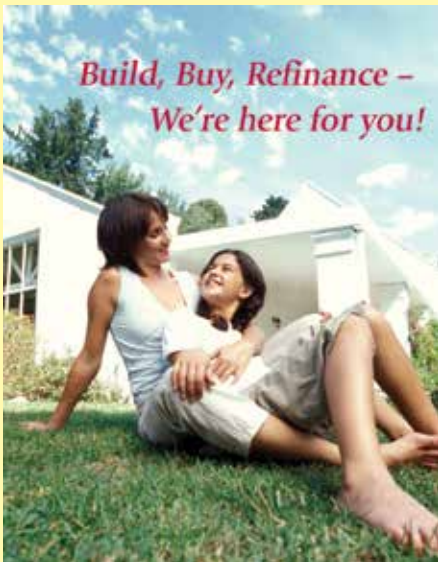
With 7 branches and over 24,000 members, our focus is on service to members, not profits for stockholders. Our structure and dedicated staff members enable us to focus on the importance of people helping people. Thank you for supporting your cooperative and thank you for allowing us to serve you.



Sincerely,

A handwritten signature in black ink that reads "Kevin Hauser".

Kevin Hauser  
President



## Home Loans

Ask us about refinancing your current mortgage!

- 1st and 2nd mortgages
- Construction Loans
- Home Equity Loans
- WHEDA Loans
- Guaranteed Rural Housing Loans

Loans are serviced locally and questions answered by people you know and trust!



Continued from page 1

## WCCU Offers Summer Discount Tickets

**Discounted Mt. Olympus Wristbands** (instead of tickets) are sold at all WCCU offices: \$22 each includes both water and theme parks (roller coasters & go-karts!) (regular price is \$39.99 plus tax).

There is free admission for children ages 2 & under.



**Discounted Noah's Ark Tickets** can be purchased and printed by you by using a special link. Tickets are \$29.00 each (including tax) plus a \$1.25 charge per ticket for using their e-ticket program (regular admission price in \$41.52 with tax). Visit us at [wccucreditunion.coop](http://wccucreditunion.coop) to access the special link. You will need to enter the Username: WCCU CREDIT UNION and the Password: 9760

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- a list of bank, loan, credit card, mortgage, lease, debit and ATM, and investment account numbers
- Social Security cards
- backups of financial data you keep on your computer
- an extra set of keys for your house and car
- the key to your safe deposit box
- a small amount of cash or traveler's checks (financial institutions or ATMs may be closed)

### Consider renting a safe deposit box for storage of important documents.

Original documents to store in a safe deposit box might include:

- deeds, titles, and other ownership records for your home, autos, RVs, or boats
- credit, lease, and other financial and payment agreements
- birth certificates, naturalization papers, and Social Security cards
- marriage license/divorce papers and child custody papers
- passports and military papers (if you need these regularly, you could place the originals in your fireproof box and a copy in your safe deposit box)
- appraisals of expensive jewelry and heirlooms
- certificates for stocks, bonds, and other investments and retirement accounts trust agreements
- living wills, powers of attorney, and health care powers of attorney insurance policies
- home improvement records
- household inventory documentation
- a copy of your will



**Choose an out-of-town contact.** Ask an out-of-town friend or relative to be the point of contact for your family, and make sure everyone in your family has the information. After some emergencies, it can be easier to make a long distance call than a local one.

**Update all your information.** Review the contents of your household inventory, your fireproof box, safe deposit box, and the information for your out-of-town contact at least once a year.

*Preparing for a disaster is like having insurance; you hope you never need it, but if something happens, you have peace of mind knowing that you are prepared. Leaving your home can be stressful, but knowing that your financial documents are up-to-date, in one place, and portable can make a big difference at a difficult time. Don't have time today? Put it on your "rainy day" to do list and rest easy knowing that all your information is organized and at your fingertips. Call any of our WCCU offices for information regarding a safe deposit box (check for box availability in Westby, Richland Center, Reedsburg or Lake Delton).*

#### Westby & Viroqua

Lobby  
Mon.-Friday 8:30am-5pm  
Saturday 8am-noon  
Drive-up  
Mon.-Thurs. 7:30am-5:30pm  
Friday 7:30am-6pm  
Saturday 7:30am-noon

#### Cashton

Lobby  
Mon.-Fri. 8:30am-5pm  
Drive-up  
Mon.-Thurs. 7:30am-5:30pm  
Friday 7:30am-6pm  
Saturday 7:30am-noon

#### Richland Center East

Lobby  
Mon.-Friday 8:30am-5pm  
Saturday 8am-noon  
Drive-up  
Mon.-Thurs. 7:30am-5:30pm  
Friday 7:30am-6pm  
Saturday 7:30am-noon

#### Richland Center West (Mobil Mart)

Drive-up & Lobby  
Mon.-Friday 7:30am-5:30pm  
Saturday 7:30am-noon

#### Reedsburg and Lake Delton

Lobby  
Mon.-Friday 8:30am-5pm  
Saturday 8am-noon  
Drive-up  
Mon.-Friday 7:30am-5:30pm  
Saturday 7:30am-noon