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### Three Ways to Vote:

#### By Internet



The electronic (internet) voting will be handled by CU Ballot, an independent, secure website. Members will receive easy to understand instructions on how to vote when visiting this site. <http://wccucreditunion.cuballot.com>

#### By phone



Call Toll-Free to vote: **877-684-2819**  
Telephone voting allows members to cast votes by dialing the above toll-free number which is specifically assigned for this election. Members may simply follow the prompts of an interactive voice response system.

#### By Mail



Paper Ballots are available in all WCCU Offices. Paper ballots will be mailed directly to CU Ballot for tabulation.

**As an owner of WCCU Credit Union, it's not only your credit union right to vote for our volunteer-based Board of Directors, it's your duty. Control of our credit union and its management is in the hands of you...our members. This is one of the fundamental differences between credit unions and banks. Please take a moment now to vote!**

Member Link is published quarterly for our credit union members. To contact us call: 608-634-3118 or write the editor, Kerri Theige - P.O. Box 70, Westby, WI 54667-0070 or [katheige@wccucreditunion.coop](mailto:katheige@wccucreditunion.coop)

<b>Westby &amp; Viroqua</b> <b>Lobby</b> Mon.-Friday 8:30am-5pm Saturday 8am-noon <b>Drive-up</b> Mon.-Thurs. 7:30am-5:30pm Friday 7:30am-6pm Saturday 7:30am-noon	<b>Cashton</b> <b>Lobby</b> Mon.-Fri. 8:30am-5pm <b>Drive-up</b> Mon.-Thurs. 7:30am-5:30pm Friday 7:30am-6pm Saturday 7:30am-noon	<b>Richland Center East</b> <b>Lobby</b> Mon.-Friday 8:30am-5pm Saturday 8am-noon <b>Drive-up</b> Mon.-Thurs. 7:30am-5:30 pm Friday 7:30am-6pm Saturday 7:30am-noon	<b>Richland Center West (Mobil Mart)</b> <b>Drive-up &amp; Lobby</b> Mon.-Friday 7:30am-5:30pm Saturday 7:30am-noon	<b>Reedsburg and Lake Delton</b> <b>Lobby</b> Mon.-Friday 8:30am-5pm Saturday 8am-noon <b>Drive-up</b> Mon.-Friday 7:30am-5:30pm Saturday 7:30am-noon
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## 2012 Tax Reports IRS fines have increased

If you earned more than \$10 in dividends and/or paid more than \$600 in interest on a mortgage-secured loan, you can expect to receive a year-end tax report from WCCU. These tax reports will be mailed in January.



### Missing or Incorrect Social Security or Tax Identification Numbers\*

All WCCU accounts that earn dividends or that pay interest on mortgage secured loans are required to have a Social Security/Tax Id number. Please take a moment to see that your number is on the report and also make sure that each digit is correct. If your number is missing or if it is incorrect you and/or WCCU may now be fined \$100 from the IRS. To avoid these unnecessary fines, please report corrections to us by January 24th if there are any changes on your tax report. Thank you for your cooperation.

*\*Members with business accounts need only to be concerned with the digits. The dash on these reports may be placed incorrectly; however the report that is sent to the IRS has the dashes in the correct positions. You will need to contact WCCU only if any of the nine digits are incorrect.*

### Wubbenhorst Tax Service Now accepting new clients!

Wubbenhorst Tax Services will continue to operate out of our Westby office. To see Judy, you will need to park in the front of the building and use the main entrance and elevator. Judy is available through the tax season by appointment only. Please note that in 2013 all appointments will be at the Westby Office.

To schedule your appointment with Judy, please call any of our WCCU offices and ask for extension #1603.

### 529 college savings plan Continued from page 2

Of course, you can contribute smaller, regular amounts to your grandchild's 529 account as well. If you have more than one grandchild, you can open an account for each and limit your annual contributions to each account to \$13,000 or \$26,000 for joint gifts. Come college time, if one grandchild gets a scholarship, you can change the beneficiary of his or her 529 account to another grandchild or you can withdraw an amount equal to the amount of the scholarship, penalty free.

**Note: Investors should consider the investment objectives, risks, charges, and expenses associated with 529 plans before investing. More information about specific 529 plans is available in each issuer's official statement, which should be read carefully before investing.**

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.

Non-deposit investment products are not NCUA insured, involve investment risk, may lose value, and are not obligations of, or guaranteed by WCCU. Westby Co-op Credit Union and Commonwealth Financial Network are separate entities.

Registered offices: 501 N Main, Westby, WI 54667, 634-3118; 2403 Hwy 14 E, Richland Center, WI 53581, 647-8835; 820 Viking Drive, Reedsburg, WI 53959, 768-9228; 70 Commerce Street, Lake Delton, WI 53940, 678-4000.

# Memberlink

Winter 2013

Your Quarterly Guide To Connecting You



## Annual Meeting Notice

Tuesday, February 19<sup>th</sup>  
at 7pm at the VFW  
205 N. Main Street in Westby.



## Important Information for Members with WCCU Checkmate or ATM Cards

### Important: New Cards Must be Activated by March 1st

Due to changes in how transactions will be routed through card networks, it is mandatory that we reissue new cards to all Checkmate/ATM cardholders.

- Regardless of your card's expiration date, you will receive a new WCCU CheckMate/ATM card in mid-January.

- To activate your new card, you will need to use it at a store or ATM. After you have "swiped" your new card, it will automatically be activated. Your old card will no longer work. Immediately destroy your old card after your new card has been activated.

- If you have any recurring (pre-authorized charges set-up) with your WCCU debit card, you will need to immediately contact the merchant/payee to update your card's new expiration date.

Because of changes in the PULSE network, PIN based transactions may not always be accepted. If this happens, choose "credit" and sign for the transaction.

If you have one of these cards...



**you will receive a new card in January. It will have the same look, but a new expiration date**

Has your address and/or phone number changed within the past 12 months? If so, did you directly contact WCCU (due to regulation WCCU cannot accept address changes from the post office). If you have not changed your address directly with WCCU, please do so immediately so that your card will not be delayed. If you have not received your new card by January 31st, please contact WCCU. **This mass reissue does not affect WCCU MasterCard or VISA Credit Cards.**

## Ways Grandparents Can Help with College Costs



Jim Maginnis

College is expensive. For some fortunate students, grandparents are stepping in to help. This trend is expected to accelerate as baby boomer grandparents start gifting what could be trillions of dollars over the next few decades. Helping to finance a grandchild's college education can bring great personal satisfaction

and can be a way for grandparents to minimize potential gift and estate taxes. Here are some common strategies.

### Outright cash gifts

One way to contribute is to make an outright gift of cash or securities to your grandchild or his or her parent. To minimize any potential gift tax implications, you'll want to keep your gift under the annual federal gift tax exclusion amount--\$13,000 for individual gifts or \$26,000 for joint gifts made by both grandparents. Otherwise, a larger gift may be subject to federal gift tax and, for a gift made to a grandchild, federal generationskipping transfer tax, which is a tax on gifts made to a person who is more than one generation below you.

An outright cash gift to your grandchild or your grandchild's parent will be considered an asset for federal financial aid purposes. Under this aid formula, students must contribute 20% of their assets each year toward college costs and parents must contribute 5.6% of their assets.

### Pay tuition directly to the college

If you are considering making an outright cash gift, another option is to bypass your grandchild and pay the college directly. Under federal law, tuition payments made directly to a college aren't considered taxable gifts, no matter how large the payment. This rule is helpful considering that annual tuition at some private colleges is now surpassing the \$40,000 mark. Only tuition qualifies for this federal gift tax exemption--room and board, books, and fees aren't eligible.

Aside from the benefit of being able to make larger tax-free gifts, paying tuition directly to the college ensures that your money will be used for education purposes. However, a direct tuition payment might prompt a college to reduce any potential grant award in

your grandchild's financial aid package, so make sure to ask the college about the financial aid impact of your gift.

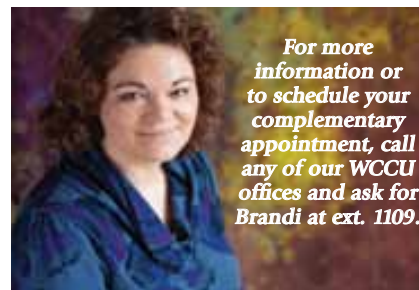
### 529 college savings plan

A 529 college savings plan is a tax-advantaged savings vehicle that can be a smart way for grandparents to contribute to their grandchild's college education while paring down their own estate. Contributions to your account grow tax deferred and earnings are tax free if the money is used to pay the beneficiary's qualified education expenses (states generally follow this tax treatment as well). Funds can be used at any accredited college in the United States or abroad. You can open a 529 account yourself and name your grandchild as beneficiary, or you can contribute to an already existing 529 account (e.g., a parent-owned 529 account).

Under federal law, tuition payments made directly to a college aren't considered taxable gifts, no matter how large the payment. This rule is helpful considering that annual tuition at some private colleges is now surpassing the \$40,000 mark.

**Tip: Under current federal financial aid rules, grandparent-owned 529 plans are not counted as a parent or student asset (only parent-owned and student-owned 529 plans count as assets), but withdrawals from a grandparent-owned 529 plan are counted as student income, which can affect student aid eligibility in the following year (withdrawals from parent-owned and student-owned 529 plans are not counted as student income).**

If you have a large sum to gift, 529 plans offer a big advantage. Under special rules unique to 529 plans, you can make a lumpsum gift of up to \$65,000 (\$130,000 for joint gifts) and avoid federal gift tax by making a special election to treat the gift as if it were made in equal installments over a five-year period (provided you don't make any additional gifts to the same grandchild during the five-year period). And if you happen to be the 529 account owner, you retain control over these funds. For example, if you should have unexpected medical costs, you can withdraw part or all of your lumpsum contribution (however, you will owe income tax and a 10% penalty on the earnings portion of the withdrawal). In addition, your lump-sum gift is considered removed from your estate even though you retain control over the funds as account owner (but if you were to die during the five-year period, a prorated portion of the gift would be recaptured by your estate for estate tax purposes).



Brandi Walton

For more information or to schedule your complementary appointment, call any of our WCCU offices and ask for Brandi at ext. 1109.

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## 2013 Election of Board of Directors

You are eligible to vote if



...You are the primary owner listed on the account (the primary owner is defined as the person whose Social Security Number/Tax ID# is on the account), have been a member for 90 days, your account is in good standing and you are over the age of 18.

This year you will have the option of voting with an assigned Personal Identification Number (PIN) or by using your account number. Both methods are secure. PIN numbers will be sent to all eligible voting members. Members with an e-mail address with received them via e-mail. All others will receive their PIN numbers by standard mail.

We have once again partnered with CU Ballot to conduct our election. CU Ballot has the resources and expertise to conduct large credit union elections. They are able to offer our members confidentiality as WCCU is provided with only the tabulated results - WCCU is not provided with any information regarding individual ballots. With the use of their technology and expertise, the work they are able to conduct an election that is cost effective, compliant and fair. Our WCCU bylaws state that all ballots need to be verified to ensure they are from eligible voting members. Through the use of technology and automation, CU Ballot has the capability to verify all ballots by using either your assigned PIN number or your account number.

**Vote Now - Election Open January 1<sup>st</sup> - February 12<sup>th</sup>, 2013**

Continued on Page 4

## Recognizing Friends of Cooperatives

Looking back on 2012, also known as the International Year of the Cooperative, I am pleased to share with you that your financial cooperative has experienced another successful year.

However, I am even more excited to recognize two men that have contributed to the cooperative movement. I take this opportunity share their stories as they have dedicated countless hours and have directly contributed to the success of cooperatives.



Representative Ed Brooks was recently honored by the Cooperative Network with their "Friends of the Cooperative Award." Ed lives in the town of Reedsburg and represents the 50th Assembly District. He has served as chair of both the Wisconsin Federation of Cooperatives and Foremost Farms. Ed has been a champion of credit unions and has showed his support to credit unions during the last budget. We are proud that Ed Brooks represents many of our WCCU members.

Keith Tainter has served for 34 years on the WCCU Board of Directors and has served 29 years on the WCCU Credit Committee. In 1978 Keith was elected to the board; WCCU had two locations, less than \$6 million in assets and fewer than ten employees. Today, we have over \$345 million in assets, have seven locations serving 12 counties and employ over 150 team members. In addition to the Board and Credit Committee, Keith served on a variety of WCCU committees that have directly impacted our growth. Keith has an incredible ability



to gather knowledge and actively participate in the decision making process which has helped to develop, support and promote the Mission of WCCU. Keith has always supported advances in technology and continuing education that is necessary to provide our members with top notch service.

Keith's life experiences, keen insight, forward thinking and dedication to the cooperative movement are some of the reasons that the Vernon County Co-op Association recognized him as one of the recipients of their "2012 Friends of the Cooperative Award."

As someone who has been around cooperatives my entire life, I know that loyalty and dedication are two very important qualities that make cooperatives thrive. I am very proud to say these two men uphold these qualities and have helped make the cooperative movement what it is today. A special thank you to Ed and Keith.



Sincerely,

*Kevin Hauser*

Kevin Hauser

