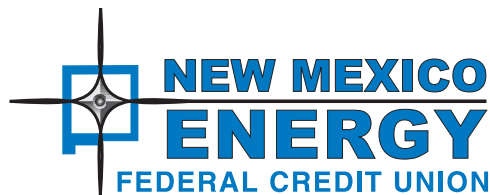


Money Matters



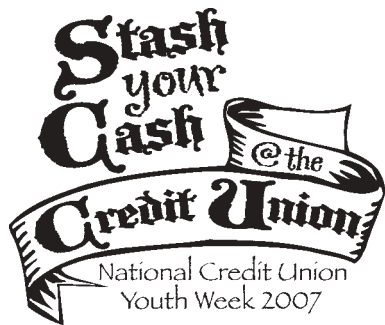
Spring 2007

A Quarterly Publication of New Mexico Energy Federal Credit Union

Visit us on the Web at www.nmenergyfcu.org

CU Youth Week is April 22-28

It's imperative that we do everything we can to help young people learn how to plan to achieve financial security—from learning how to spend money wisely now to thinking about saving for the future. What we need today, confirmed by poor financial literacy test scores from across the country, is leadership to help raise the awareness of financial issues for young people.



The staff and members of NM Energy FCU are ideally positioned to respond because we believe in the power of education—put to practical use—to improve the lives of our neighbors and our community. Our tradition of service and philosophy of self-help make NM Energy FCU, and all credit unions, a natural source of leadership in the fight against financial ignorance. We can help children better understand the credit union difference—better rates, lower fees, and extra attention, to make sure that all members know how to manage money.

Join us this year as we celebrate National Credit Union Youth Week from April 22-28. Our theme for 2007 is "Stash Your Cash at the Credit Union." ■

NextStudent Loans

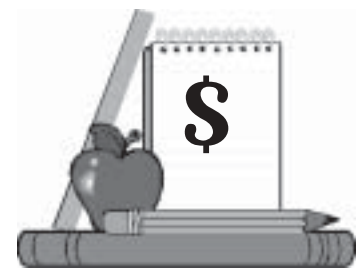
In the market for a student loan? You're in luck. Congress revived student loans by passing the Higher Education Act, which restructured interest rates under the Federal Family Education Loan Program. Student loan interest rates are set based on the 91-day Treasury bill (T-bill) rate, making Stafford loans one of the most affordable types of loans around. Additionally, the annual percentage rate cannot exceed 8.25% at any time.

And just how much will you need to borrow? First, calculate your approximate expenses for the year, including all fixed costs—tuition, room and board—and other indirect costs—personal expenses and transportation costs. A college can provide you with actual fixed costs and may even be able to give you typical indirect expenses at its campus. Or, use the College Board's estimated in-state costs as a guideline: \$5,132 at a public college and \$20,082 at a private college or university (estimates are as of 2005).

If college is a few years away, take today's guideline and factor in annual increases. The College Board says college tuition costs increase, on average, 5% each year. Once you have an idea

how much you'll need for the year, you're ready to do the math.

Take your estimated expenses and subtract scholarship/financial aid money you've received, savings, and any other money you plan to put toward expenses. The remaining amount is what you may consider borrowing.



New Mexico Energy FCU has partnered with NextStudent to provide easy access to all types of student loans. With rising college costs, it's nice to know you can get a good deal on a student loan plus search for available scholarships at our new partner's Web site.

For more information about student loans and other ways to help finance your college education, visit our Web site for the link to NextStudent or call (toll free) 866-418-2221. ■



If the IRS Calls, Hang Up

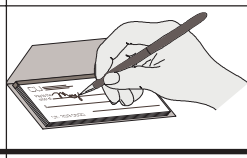
If the Internal Revenue Service (IRS) calls, hang up. Crooks pose as IRS agents, hoping callers will give out enough personal information so the crook can commit ID theft.

Remember: The IRS will almost never call you and ask for credit card numbers or financial account numbers over the phone.

If an "agent" does call you, get the agent's name and contact the IRS at 800-829-1040 to confirm that the call is legit. ■

Introducing Energy Prime Checking

How much does your checking account cost? Consider this: New Mexico Energy FCU could save you money.



It's a good bet our checking fees are lower than those at other financial institutions.

And now we have an even better deal for our members who have attained that lofty age of 55! With our new Energy

Prime checking account you can take advantage of:

- No monthly service charges
- Daily accrued interest with balances of \$500 or more
- Unlimited check writing (no per check charge)
- Unlimited Point of Sale transactions (no debit charge)
- Unlimited CU Anytime & Coop ATM usage
- Selected free or discounted checks (maximum of 4 boxes annually)

- No charge for official checks
- No charge for Travelers Checks
- No charge for money orders
- Free access to online statements and check images
- Safekeeping for your cleared checks
- Convenient duplicate checks
- Easy record keeping with detailed monthly statements
- Time-saving direct deposit

Come see us today and start saving more and getting more with your New Mexico Energy FCU checking account. ■

Split Your Refund ... Boost Your Savings

Go ahead: Tell your tax refund where to go. New IRS rules—effective in 2007 for the 2006 tax year—allow you to split your tax refund and send direct deposits to as many as three different accounts with three different financial institutions. And the new rules apply regardless of whether you file on paper or electronically.

For many families of all income levels, the opportunity to direct their refunds to as many as three accounts is a savable moment—an opportunity to build wealth. The average refund check for the 2005 tax year was about \$2,200. Even a portion of that would go a long way toward building an emergency cash reserve for unplanned bills and repairs.

In the past, many filers sent the windfall directly to their checking account and spent it before the money could be transferred to savings. Split refunds are expected to boost the savings rate, which dipped below zero in 2005 and stayed in negative territory throughout 2006.

But don't limit yourself to savings accounts. You can direct your refund check to certificates of deposit, individual retirement accounts, and even Coverdell Education Savings Accounts.

Splitting your refund is easy. Use IRS Form 8888 to designate to which accounts—and in what amounts—you want your refund disbursed. Be aware, though, that you have certain responsibilities:

- You must provide an accurate account and routing number for each account you designate to receive part of your federal tax refund. If there's an error, you'll receive a check for the entire
- If you're designating only one account, use the direct deposit line on Form 1040. If you're designating two or

three different accounts, fill out and attach Form 8888 to your individual filing form (1040, 1040A/EZ, 1040NR, or any of the 1040 series).

- If you're directing part of your refund to an IRA, it's up to you to check with the financial institution to make sure it accepts direct deposits to IRA accounts. Also, tell the IRA trustee the year you want the deposit credited for (2006 or 2007). Make sure you don't exceed your annual contribution limit.

• You cannot direct your refund into accounts of others.

You can, though, direct your joint refund into joint accounts or accounts of your spouse.

These options teamed with direct deposit make it easy to reward yourself and save for the future too. For more information about split refunds, visit splitrefunds.net and the IRS Web site to search for Form 8888. ■



Minimize ID Theft Risk When Ordering Credit Report by Mail



If you prefer to receive your free credit reports by mail, minimize your risk of ID theft by requesting that only the last four digits of your Social Security number appear on your report. Get the Annual Credit Report Request Form from annualcreditreport.com and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. ■

America Saves Week

America Saves week was February 25-March 4. But that doesn't mean it's not a good idea to continue that philosophy all year long. All over America people just like you are proving that you don't have to be rich to build wealth. As members of America Saves, they are paying off their debts and saving to reach their financial goals. The America Saves Web site can help you reach your goals. The site has tips and tools to help you set goals, develop strategies to reach those goals, and start saving.

So what are you waiting for? Enroll in America Saves and start making your dreams a reality. Visit today at www.americasaves.org. ■



Online Financial Sites Ask Questions to Protect Privacy

It might take a little longer to log in to the New Mexico Energy FCU online banking Web site these days. It might take a few seconds longer to log in to the NMEFCU online banking Web site these days, but it's for a very good reason - your online safety. The change is due to enhanced measures to secure Internet financial transactions. Starting January 1, 2007, financial institutions must have in place a process called multifactor authentication. This means that instead of just being able to log in to an online banking site with user name and password, you might be required to answer a question or two as well.

The first time you log on to a site using multifactor authentication, you'll be asked to answer questions such as: What is your favorite food? What street

did you grow up on? What is your favorite teacher's name? Then, the next time you log in to the site you might be required to answer one of those questions.

You also might be asked to enter a security code that you see on screen or confirm a verification text image. This prevents automated logins by ensuring that a person is at the keyboard. Web sites will vary as to how often you'll have to answer questions or what methods they use to verify that you're trying to log in.

One of the most popular methods of fraud occurs through impersonating individuals during the login process. All these extra steps confirm that it's really you accessing your accounts—not some impostor who knows just enough about you to be dangerous. ■

Closed for Conversion

The Credit Union will be closed August 20 while we upgrade our computer operating system. We apologize in advance for any inconvenience this may cause.

But remember - you can go to any Shared Branch location and use any of the many fee free CUAnytime ATM machines. If you need information about location, either call us at 845-6939 or log onto www.nmenergyfcu.org and click on the appropriate icons on the home page to locate the one nearest you. ■



Line of Credit Ammo Against Payday Lenders

If you're in a pinch for money, come see us instead of a payday lender. You can get the money you need by applying for a New Mexico Energy FCU line of credit. It's a good weapon against payday lenders—saving you hundreds of dollars vs. a payday loan.

Applying for a line of credit is as easy as applying for a signature loan. You'll have an available line of credit with a maximum limit. You can also request that your line of credit be used as overdraft protection. If you overdraw your checking account, money from the line of credit automatically is transferred into your checking account.

A line of credit works like an unsecured loan and interest rates generally are comparable to credit card interest rates. So if you're in need of money, use a lower cost alternative and service you can trust. Come see us today. ■

Annual Meeting & Election Results

The 51st Annual Meeting was held on February 26 at the Mountain View Club on Kirtland Air Force Base. Thanks to all our members who took the time to attend. Credit Union members re-elected the following volunteers to fill the two open Board of Directors positions: **Madge Gardiner-Clinkenbeard** and **Martha Thibau**.

The volunteer members work hard to ensure that the interests of the members at-large are met. New Mexico Energy Federal Credit Union is owned by you and is a not-for-profit financial cooperative. Thanks to all those members who voted and to all those who continue to support your Credit Union! ■



Are You Up to the Challenge?

Welcome to 2007. We have something new for the year that we hope will get you off on the right financial foot and keep you there all year. It's the 2007 Financial Fitness Challenge. Month by month your financial fitness will be broken down into doable, meaningful, logical steps. We give you the tools you need to follow through the New Mexico Energy FCU Web site. You can also sound off—talk with us and share your experiences with other Credit Union members on our message board.



Each month, the Financial Fitness Challenge brings you a mix of options including a big picture task—say, calculating your net worth—that you can tackle to make progress on your financial fitness goals. A consumer protection or maintenance task, such as setting up a reminder to claim flex benefits before they expire, is a simple

way to start. "Set it and forget it"—ideas to automate some financial chores so you don't have to remember them,

for example, by simply using Credit Union direct deposit or automating bill payments with our online bill payer.

How hard do you have to work? That depends on how much you already have accomplished—that could be more than you realize—and on how much you want to accomplish.

Get started today by visiting our Web site at www.nmenergyfcu.org and clicking on the Home & Family Finance icon on the right side of the home page. ■

So, what's in it for you?

- You'll be master of your domain, financially speaking. You won't have to guess how things are going; you'll know when you're on top of your personal financial challenges.
- You'll have a chance to win a \$50 Visa gift card. Each month we'll randomly award up to 10 Visa gift cards to Financial Fitness Challenge participants. You only have to register to be eligible.

Articles Available on Web Site

Visit us at www.nmenergyfcu.org and click on the Home & Family Finance button to view a full length version of many of the articles in this newsletter. ■

Holiday Closings

- **Memorial Day**
Fri, May 25 – Close at 3:00 PM
Mon, May 28 – Closed
- **Independence Day**
Wed, July 4 – Closed

Extended Daylight Saving Time



Beginning in 2007, U.S. daylight-saving time (DST) will be extended by four weeks. DST begins March 11 and runs through November 4.



Mailing Address

P.O. Box 5400
Albuquerque, NM 87185

E-Mail: nmenergy@swcp.com

Web Site:

www.nmenergyfcu.org
Main: (505) 845-6939 or
(800) 825-5256, then dial
845-6939

Fax: (505) 845-4855
Smartline: (505) 845-4122
or (800) 837-6065

Lobby Hours

Monday

8:00 AM to 3:00 PM

Tuesday through Thursday

9:00 AM to 3:00 PM

Friday

9:00 AM to 4:30 PM

Closed on Federal Holidays

Board of Director Listing

Raymond Baca
Chair of the Board

Martha Thibeau
First Vice Chair

Madge Gardiner-Clinkenbeard
Second Vice Chair

Dan O'Shea
Secretary

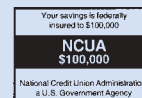
Edwin Maestas
Treasurer

Alesia Bell
Policy Officer

Chad Glines
Marketing Officer

Supervisory Committee

Patricia Padilla, Chair
Leonard Raab Jr.
Jay Pape



All Individual Retirement Accounts are insured separately to an additional \$100,000.