



# Name this Newsletter

And win a prize if your entry is selected! Email [ms@firstedfcu.com](mailto:ms@firstedfcu.com) to enter a name.

First Education Federal Credit Union

4th Quarter 2011

[Edition 1, Volume 1]

Contact us: 307.432.7400, email [ms@firstedfcu.com](mailto:ms@firstedfcu.com)

## Debt-to-income ratio important as credit score

*The good news is, getting this number doesn't cost you a penny, and it can be calculated in just a few minutes at your kitchen table.*

It's true that nitty-gritty details can make a difference, but you can get a fairly accurate understanding of your financial picture by spending just a minute or two calculating your debt-to-income ratio. By knowing the ratio -- and how to improve it -- you can increase your chances of getting a better mortgage, a better car loan and even better credit card rates.

Your debt-to-income ratio is exactly what it sounds like: the amount of debt you have in the form of mortgages, car loans, student loans and credit card debt, as compared to your overall income.

To calculate your overall debt-to-income ratio, sometimes known as a back-end ratio, add up all of your monthly debt obligations -- often called recurring debt -- including your mortgage (principal, interest,

taxes, and insurance) and home equity loan payments, car loans, student loans, your minimum monthly payments on any credit card debt, and any other loans that you might have. Do not include

*By now you know your three-digit credit score is an important number in your financial life, but did you know there's also a two-digit number that can be just as powerful?*

expenses such as groceries, utilities and gas. Take this total and divide it by your gross monthly income from all sources. In general, you'll want to keep that number below 36 percent -- a threshold that loan officers and credit card issuers often use as a

factor when they determine how much they're willing to lend you.

So why is that number so important? It's all about proportion. You can be making a lot of money every month, but if you've got the debt to match it, that can be a problem. It's important not to overextend yourself. The higher your number, the riskier it is for lenders to offer you loans -- and the more they'll make you pay for them.

While other factors, such as your credit score and length of time in your home or job, will come into play into this equation, a good debt-to-income ratio can give you leverage to negotiate if other factors aren't in your favor. Check with one of our professional lending team members for more information.

## \$ave Money with Our New Low Loan Rate\$

Are you paying too much for your car loan? We lowered our loan rates and can save you a bundle of cash whether you owe a little or a lot. Refinancing your auto loan from the bank is easy. Call or stop by and visit with a loan officer to see how low we'll go to save you money.

Your savings are insured to at least \$250,000 by NCUA

Do we have your correct contact information? While we don't contact you by phone or email often, when we need to call you, it's usually important. So, take a minute and update your contact info the next time you're at the credit union. Or, email us at [ms@firstedfcu.com](mailto:ms@firstedfcu.com).

## Great Leadership Leads to Great Service

### Liz Luce - Wyoming Credit Union Volunteer of the Year



The Board of Directors and staff of First Education Federal Credit Union congratulate Elizabeth B. "Liz" Luce for her recent

selection as Wyoming Credit Union Volunteer of the Year.

Liz has been on the Board of Directors since 2001. She served previously on the St. Joseph's Tri-Parish FCU Board, and is currently our Board Chair. Congratulations, Liz, on receiving this well-deserved and hard-earned award and thanks for all you do for First Education

and our community!

The award was presented by the Credit Union Foundation of Colorado and Wyoming at their Fourth Annual Star Gala. First Education Federal Credit Union president, Jim Yates, was awarded the Credit Union Professional of the Year in 2009.

### Over-the-Counter Sales of Paper Savings Bonds Will End 12/31/2011.

Members can buy electronic bonds online at [www.treasurydirect.gov](http://www.treasurydirect.gov).

### Holiday Hours

We will be closed on the following holidays:

- ✓ Columbus Day-Monday, October 10
- ✓ Veterans Day, Friday, November 11
- ✓ Thanksgiving Day, Thursday, November 24
- ✓ Christmas Day, Monday, December 26
- ✓ New Year's Day, Monday, January 2

## Buy Your Next Used Car from Someone You Can Trust

First Education Federal Credit Union has partnered with Enterprise Car Sales for a number of years, offering our members great deals on reliable, pre-owned cars. Plus, financing with First Ed's low rates will save you money.

**No Hagggle Pricing** — Plainly stated, unbelievably low so you can avoid unpleasant negotiating and be confident you're getting a great deal. Every vehicle is priced below book value.

**Vehicle Certification** — Every vehicle goes through a rigorous 109-point inspection by an ASE-Certified technician.

**7-Day Repurchase Agreement** — You have up to seven days or 1,000 miles to change your mind.

**12/12 Limited Powertrain Warranty** — Every Enterprise used car is backed by a Limited Powertrain Warranty for 12 months or 12,000 miles, whichever

comes first.

**Enterprise Roadside Assistance** — Flat tire? Lost key? Out of gas? No problem - because your used car purchase includes a one-year unlimited mileage roadside assistance program.

**Trade-Ins** accepted at book value or better. Plus, until October 8<sup>th</sup>, Enterprise will add \$500 to the trade, just to sweeten the pot.

Come see the great cars at First Ed. Take one for a test drive!



Coming soon to a mailbox near you--your Holiday Skip-a-Pay.  
Have extra money to spend this holiday by skipping your loan payment.  
Plus, \$5 of every Skip fee goes to Toys for Tots.  
*Restrictions apply. Ask for details.*

Your savings are insured to at least \$250,000 by NCUA

