A Look Back…
A Look Forward…
And a Sincere Thank you!

For 80 years St. Cloud Federal Credit Union has been serving our community and I am truly blessed to be a part of this great organization. 2014 was no different as we had a great year financially while at the same time giving back to our communities and giving back to our members some of the best products, rates, and services in our area. In my time here I have come to realize that there are two things that make St. Cloud Federal Credit Union so great:

1. Our members’ loyalty and participation and;
2. Our employees’ passion to serve and make a difference each and every day.

As a new CEO, I would like to say THANK YOU to all of our members for your participation, to say thank you to our retired CEO Bill Winter, and our Board of Directors for handing over to me such a well-run credit union. Last but not least, I would like to thank our employees for being some of the most caring and passionate people that I have ever met.

What can you expect in 2015? Last year over a three-month period we took some time to ask our employees and our members what we could do better. With all the employee feedback and almost 2,000 responses from our members, we worked with our Board of Directors to put together a three year strategic plan. Members - please pay attention - in 2015 and beyond you are going to see some changes and some great new additions that will be focused on enhancing each of your lives financially as well as on making a significant impact in our communities. Remember it is my commitment to you that your credit union will always do what we can for you today, and we will always strive to be able to do more for you tomorrow. You will benefit from being a member and banking at St. Cloud Federal Credit Union. I have already sincerely enjoyed the ride and I look forward to what is ahead in our upcoming journey together!

Best Regards,

Jed A. Meyer
President and CEO

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There are many reasons why it may make sense to refinance your mortgage. The opportunity to get a lower interest rate, the chance to shorten the term of your mortgage, to convert from an adjustable rate mortgage (ARM) to a fixed rate mortgage - or vice versa, to leverage your home’s equity to finance a large purchase, or to consolidate debt. Let’s explore some options.

**Lower Your Interest Rate (APR)**
This is one of the best reasons to refinance because it not only can help you save money, it can increase the rate at which you build equity in your home or, it can decrease the size of your monthly payment. Historically, the rule of thumb was that it was worth the money to refinance if you could reduce your interest rate by at least 2%. Today, many lenders say 1% savings is enough of an incentive. However, this alone is not the only factor to consider as some mortgage lenders offer little to no closing fees, which may make it worthwhile in a variety of situations. Here is an example to give in a situation where a rate is relatively low, but an incentive may be there to go even lower:

A 30-year fixed rate mortgage with an interest rate of 5% on a $150,000 home has a principal and interest payment of $805. That same loan at 3.875% at 30 years reduces your payment to about $705.

**Shorten Your Loan Term**
When interest rates fall you may have the opportunity to refinance an existing loan for another loan that, without much change in the monthly payment, has a shorter term. For example:

Refinancing a 30-year fixed rate mortgage to a 20-year on a $150,000 home, from 5.5% to 3.75% changes the monthly payment slightly from about $857 to $875. That is a 10-year difference in how long you re-pay your mortgage. Let’s take that a step further to calculate actual savings:

- **You will no longer have another 10 years at $857 per month or $102,840**
- **Your increased payment to $875 is an $18 increase per month for those 20 years which is $4,320 more**
- **So you pay $4,320 more in the first twenty years to save $102,840 for the additional 10 more it would have taken you to re-pay the loan**
- **Total savings to you in this scenario would be $98,520**

**Converting Between Adjustable Rate (ARM) and Fixed Rate Mortgages**
While ARMs start out offering lower rates than fixed rate mortgages, periodic adjustments often result in rate increases that are higher than the rate available through a fixed rate mortgage. When this occurs, converting to a fixed rate results in a lower interest rate as well as eliminating concern over future interest rate hikes. On the other hand, converting from a fixed rate to an ARM can also make sense (particularly in a falling interest rate environment) if you do not plan to stay in your home for more than a few years. You may be able to reduce your rate and your monthly payment.

**Leveraging Equity and Consolidating Debt**
You can look to your home’s equity to cover big expenses such as remodeling projects or your child’s college education. While remodeling or a lower rate from another source may seem attractive, keep in mind you are increasing your overall debt. It
is important to view your entire financial picture before making this decision. The interest on your mortgage is usually tax deductible, which plays in your favor and can be factored into this decision.

Consolidating debt by replacing high interest debt with a low interest mortgage may be a good idea. Keep in mind that while it may eliminate or reduce debt on credit cards or other debt, it frees up easily available credit that can be tempting to use down the road. You may want to consider closing out some of those lines if your goal is to reduce your overall debt.

**Bottom Line**
Refinancing can be a great financial move if it reduces your mortgage payment, shortens the term of your loan or helps you build equity more quickly. When used carefully, it can also be a valuable tool to getting your debt managed better. Before you refinance take a careful look at your financial situation, work with a trusted resource as needed, and identify your short and long-term goals. Find out how much it will cost you to do the refinance and factor that into the equation, as it may or may not be beneficial to your overall financial picture.

**St. Cloud Federal Credit Union Mortgage Department**
If you want help determining if a home refinance is right for you, you are welcome to stop in or call our Mortgage Department at (320) 258-2186. Our goal is your goal – to help you save as much money as possible!

* Educational topics are meant to provide you general information. Examples are for illustration purposes only and are not specific to St. Cloud Federal Credit Union products.

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**You are invited to attend our Annual Credit Union Meeting!**

- **Thursday, May 14th, 2015**
- **St. Cloud Federal Credit Union**
  3030 First Street South
- **Lower Level Community Room**
- **Business meeting starts at 5:30 p.m.**
- **Refreshments will be served**

Nominations are now being accepted for credit union volunteer Board positions. Any current member who wishes to be placed on the ballot by petition needs to submit a list of at least 1% of our total membership of 15,456 (155 names), including printed name, member number, and signature. The petition is due by April 4th, 2015. Petition forms and procedures are available by contacting Jed Meyer at (320) 258-2141 or jmeyer@stcloudfcu.coop. Election results will be announced at the May 14th Annual Meeting. We look forward to seeing you there!

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**Join Us In Our New Community Day!**

Save the date – Monday, October 12th for our first ever Community Day. We are so proud of our community and humbled to have been here for over 80 years. As a not-for-profit, we believe in giving back and investing into our communities. On this day we will close our branches and go into the community to do some good. We would love for our members to join us! October 12th is Columbus Day, a holiday so many places will be closed for the day as well.

Help us choose. We have not yet determined which community causes we will volunteer in. Please email your suggestions to participate@stcloudfcu.coop and we will update you later in the year where and what we will be doing. Let’s make a difference together, join us!
Investment Services Department:
Financial Advising Focused on You

Often times Financial Advisors are viewed as people who speak a fancy language who are out to get a buck. That could not be further from the truth with our Investment Services Department! We are here to help you plan for your life, your money and your goals. Our team are local people who care about you and our community. They in turn have access to all the best products and services in the marketplace. They are here to help you be successful and will always do what is best for you and your life.

Here are some of the ways we can help you:

Achieving Your Financial Goals
- Retirement planning
- College funding
- Trust services
- Asset allocation strategies
- Traditional, Roth, Simple and SEP & IRAs
- IRA rollovers

Investing In Your Future
- Stocks, bonds and mutual funds
- Fixed, variable and index annuities
- Unit investment trusts
- Exchange traded funds (ETFs)
- U.S. Government bonds

Protecting Your Assets
- Estate planning
- Life insurance
- Disability insurance
- Long-term care insurance

Contact our Investment Services Department or stop in to see if we can help you!

Jackie Evavold CRPC™, Financial Advisor
(320) 258-2166
jevavold@scfcu-invest.com

Ann Frost
Registered Assistant
(320) 258-2179
afrost@scfcu-invest.com

Expanding to the Sartell branch every Friday, feel free to stop by or call for an appointment!

Securities and advisory services offered through Cetera Advisor Networks LLC, member FINRA/SIPC. Investments are • Not FDIC/NCUSIF insured • May lose value • Not financial institution guaranteed • Not a deposit • Not insured by any federal government agency.
Cetera is under separate ownership from any other named entity. Investors cannot invest directly in indexes. St. Cloud Federal Credit Union, 3030 1st Street South, St. Cloud, MN 56301. (320) 252-2634.

Shred-It Days Are Back!

Seriously, back by popular demand – Shred-It Days will be offered again this March in both our St. Cloud and Sartell branches. We take your security seriously and believe offering this service helps you protect your private information. You can bring in all your documents, which will be placed in our protected bins and shredded.

This service will be available for three days: March 19th, 20th and 21st at both locations, come on in!
Enter For a Chance to Win a Trip For Two*

As a not-for-profit, we offer products and services just like banks do. But, we do it better! Not only do we offer competitive rates, we will ALWAYS make your needs our #1 priority. We are so committed to earning your business, we are willing to offer a trip voucher to help you further participate in your credit union.

Do you have a mortgage or car loan at another financial institution? Refinance your loan with us and your name will be entered for a chance to win a trip voucher for two worth $1,500 to anywhere in the world. Promotion is available through March 31st, 2015, stop by or call us today! It will be as easy as 1, 2, 3……

*Full contest rules apply, no purchase of any kind required to enter. New loans are eligible.
Please ask an employee for the full contest details or visit our Web site.

Sartell’s 10th Annual Community Showcase Red Carpet Event

We are excited to participate again in this annual event. It is a family-friendly event to introduce community members to Sartell area businesses. It features business booths, kids’ activities, entertainment and demonstrations for the whole family. Historically this event draws more than 2,000 people and more than 60 business booths. Join us on Saturday, February 28th from 9:00 a.m. to 1:00 p.m. at the Sartell Middle School. We hope to see you there!

Enhanced Web Site Coming Soon!

For years we have invested in our online and electronic services to help provide you options in banking with us. The Web site is no exception! We are excited to announce the launch of our new site, created to offer you an easier and more pleasant navigation experience. Look for the new Web site coming soon.

Visit www.stcloudfcu.coop and let us know what you think.
“Jean Fridays”

Have you ever been in on a Friday and noticed our typical best-dressed employees are wearing their jeans? Being part of such a great community, we always look for ways that we can give back. “Jean Fridays” are a fun way for us to raise money for our community! We each contribute $5 for a great cause (lunches for those in need are just one of many examples) and in exchange, we get to relax in a pair of jeans for the day. So next time you see us in jeans, let’s do a high-five for giving back to a great community!

Tax Information

For Electronic Filing

It is that fun time of year again when many of us will be working on our taxes. We want to save you one headache! Did your credit union account number change since the previous tax time? Did you get a new checking or savings account and close the old one? If so and you file electronically, be sure the account number you enter on your tax return is accurate, or your refund will be rejected and returned. If you are using your checking account, include the check digit in the number. Your complete checking number is found on the bottom of your checks. If you do not use checks, please call us for your check digit or any other questions.

Visit Us!

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3030 1st Street South
St. Cloud, MN 56301

Sartell Branch
1716 Pinecone Road South
Sartell, MN 56377

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