

Limestone Federal Credit Union

Winter/January 2010

As A Reminder Important Tax Information—

The information needed for your tax return is printed on the last page of the enclosed statements.

Go Green with e-Statements

In 1970, Kermit the Frog lamented that it's not easy being green. But times have changed. With e-Statements from your credit union, being green is easy. Here's how it works - simply sign up to receive your credit union account statements electronically. Then when your statement is ready, we'll send you an email directing you to a secure site where you can view it. You can then save it electronically, or if absolutely necessary, you can print it. You'll not only save a tree or two, but you can also reduce the clutter on your desk, kitchen counter, or in your filing cabinet. With e-Statements, you'll also have access to your account information faster than if you received statements in the regular mail. Viewing your statements online is also safer than having them mailed to you because you won't need to be concerned about a thief raiding your mailbox. Greener, faster, safer. Sign up for e-Statements, contact us today.

From the Manager's Desk

As I write this note to the membership my Santa Clock pops up, 2 days, 9 hours, 51 minutes, 34 seconds until Santa arrives, but who's counting! By the time you receive this newsletter the holiday season will have passed and many of us will have already broken our New Year's Resolutions!

During the past year the Volunteers and Staff of the credit union have worked hard to become our members "1st Choice for Financial Services". When you enter the credit union you will be greeted with a smile and a warm hello, as well as a cup of cappuccino if you like. We are not simply employees of the credit union; we are your friends, neighbors, co-workers, and fellow community members.

As the year 2009 draws to a close we would like to take this opportunity to say "Thank you" for doing business with us during the past year. To show our appreciation we sent a "gift" to those members who are utilizing this credit union as their primary financial institution. The "Member Loyalty Bonus" was issued to all members in good standing. This year, members who had conducted at least ten transactions with the credit union during the year 2009, received a check. To those of you who received this gift, please accept our gratitude for choosing us as your Credit Union, we know that when it comes to financial services you have many choices and we are honored that you chose us.

For those of you who did not receive the bonus, this gift is simply one of many perks to being an active member of Limestone Federal Credit Union, we are eager to serve more of your needs. If you need assistance refinancing your loans or moving your checking account, just call us. Our friendly staff has the necessary expertise to make your move easier.

While reflecting over the past twelve months I am satisfied that we have not only met our goal of providing real value to being a member of Limestone Federal Credit Union. We can be confident that in 2009 we exceeded this goal. 2010 will bring focus on setting higher standards for ourselves to ensure that we are continually working to be our members 1st choice.

In closing, I sincerely hope that you and your family had a joyous holiday season. I look forward to seeing you all next year.

Jennifer C. Watson
CEO

Position Open For The Board Of Directors And Credit Committee

There are three positions open for the Board of Directors and one position for the Credit Committee.

Incumbents running for the Board of Directors are:

Ken Fagan

Ron Provo

Jean Vanderville

Board of Directors Duties:

Members of the Board of Directors are responsible for the direction and control of the credit union. They meet on the 3rd Wednesday of each month at 3:30 PM. Sometimes it is necessary to have special meetings.

Incumbent running for Credit Committee is:

Julie Hinkson

Credit Committee Duties:

Members of the Credit Committee are responsible for approval and denial of loans to members. They meet once a week at the credit union, during credit union hours.

If you are interested in volunteering your time for any of the above positions, please call 341-5866 or stop in and talk to Jennifer or Vickie



Staff Anniversary

Amy Blanchard
6 years
January 30th

Rates of Dividends.....

Deposits:	APR	APY
Shares	1.00%	1.00%
IRAs	3.95%	4.00%
6 mo CD	1.60%	1.60%
12 mo CD	1.74%	1.75%
24 mo CD	1.99%	2.00%
30 mo CD	2.33%	2.35%
12 mo Jumbo (\$50,000 min)	2.24%	2.25%

*Rates are subject to change without notice.
Call for current rates & terms.*

Speedy Line
Local 906-341-3114
Or Toll Free
1-888-341-3114

- Transfer Funds
- Make Loan Payments
- Obtain Account Balances
- Obtain Checking Transactions



LOBBY:

MON-THURS 8:30-5:00
FRIDAY 8:30-5:00
SAT. 9:00-NOON

DRIVE THRU:

MON-THURS 8:30-5:00
FRIDAY 8:30-5:30
SAT. 9:00-NOON
SUN. 11:00-2:00

ADDRESS

131 RIVER STREET
MANISTIQUE, MI 49854
906-341-5866
1-888-896-5866
FAX 906-341-6070
www.limestonefederal.com

Member Loyalty Bonus Q & A:

Member Question: I have heard rumors circulating through the community that “some” members received a check and others did not.

Answer: That is correct. The credit union has been awarding Member Loyalty Bonuses for the past four years. During that time we have had an influx of new accounts opened for this purpose only. What we have found is that these members are not utilizing the services of the credit union but rather just making one small deposit per year to ensure that they qualify for the bonus.

The member loyalty bonus is an income sharing program; the credit union began this program in order to give back to those members who are utilizing the services of the credit union. The credit union earns income from many different sources such as: interchange income from members debit card transactions; overnight interest income on funds in members checking accounts; fee income from the sale of money orders, cashiers checks, and travel cards; etc. Those members that are conducting business with the credit union assist in generating the income which is used to pay the member loyalty bonus.

If someone has a savings account with the credit union with only one deposit per year it is pretty safe to say their main financial institution is somewhere else. If that is the case they should contacting their primary financial institution to find out what kind of income sharing programs they offer or they could bring their business to the credit union to qualify for the bonus next year.

Surveys: To all of you who answered our member surveys, thank you for your feedback. This information is invaluable.

During the next few months we will be answering some of the questions/comments that were reflected in the surveys.

One common item in many of the surveys was that the credit union does not own an ATM. We are in the process of obtaining quotes for this service. An ATM can be very costly and labor intensive to operate. The machines and equipment cost ranges from \$10,000.00-\$40,000.00. On top of that there are annual maintenance contracts, a dedicated phone line, and staffing costs associated with this program. Currently LFCU members can use any CO-OP Network ATM at no cost; there are over 40,000 of these machines in the United States.

While it may be inconvenient to use another financial institutions machine, not having the costs associated with owning an ATM allows us to provide value to our membership in other ways such as the popular “Member Loyalty Bonus”, Little Bear Area Skate Cards, and LFCU Rewards. By taking on additional costs for an ATM some of these programs would need to be reduced or eliminated.

Sunday Hours: Five or six members commented on the credit union operating on Sunday. Some were positive comments and some were negative.

I wanted to take this opportunity to address this issue to the entire membership. Our decision to open on Sunday was not made lightly. Prior to making this decision we spoke to several other financial institutions, reviewed the schedules of the local places of worship, and discussed the scheduling with staff.

Our hours on Sunday are very limited. We are only open for three hours and there are only two employees on site. These employees were either hired to work Sunday or they volunteer to work. None of our employees are required to work on Sunday. They are well compensated for their time and therefore enjoy the opportunity to make the extra money. Being open on Sunday has had a positive effect in this struggling economy. Our two part-time employees have since been promoted to full time in order to fulfill the Saturday and Sunday scheduling needs.

On another note we have many members who greatly appreciate this service. As you know local retailers, gas stations, and restaurants are very busy on Sunday. These businesses are open on Sunday as a convenience to their customers and ours was the same philosophy. If all businesses were closed on Sunday, jobs would be eliminated. In this struggling economy we felt that this was a viable option to retain our current employees along with creating jobs.

I hope this explanation provides you with some insight on our position. We respect the people who provided us with their opinion and greatly appreciate the chance to respond.

Jennifer C. Watson
CEO