

NUFCU NEWS

UNIVERSITY OF NEBRASKA FEDERAL CREDIT UNION

Living our Core Values Means More than Wearing a T-Shirt

At NUFCU, our commitment to fostering financial intelligence and responsibility has always been at the heart of our mission. In 2024 we reviewed our core values to ensure they still had meaning to the community we serve. As we looked at two of our core values: "We promote financial responsibility" and "We deliver education", it became clear we needed to expand our focus to cover more than just education and encompass various aspects of economic stability, security, and opportunity.

Living out our core value of *Financial Well-Being for All* emphasizes our commitment to providing every member the resources, knowledge, and support they need to manage their finances effectively and to build a secure future. Here are some key elements of our promise to you:

Access to Financial Education: Financial literacy programs and resources can help people make informed decisions. Each semester we offer various seminars to empower members to manage their finances effectively. Our website is also a great financial literacy resource.



Affordable Financial Services: Interaction with our members leads us to always ask "How can I save my member time and money"? One example of saving members money is our auto loan recapture program which helps members save money when they bring an auto loan from another financial institution to the credit union. Year-to-date the credit union has refinanced 15 auto loans totaling \$371,451. This lowered the average interest rate from 9.22% to 6.70%. The estimated total interest savings for these members will be \$46,772, with each member saving an average of \$3,118.

Debt Management: We recognize the importance of providing you with the tools and resources necessary for effective debt management and financial stability. Our recent offer of a 0% Visa credit card for 12 months, which includes both balance transfers (cash advances) and purchases, serves as a practical solution for those grappling with high-interest debt. By transferring your existing balances to NUFCU, you can significantly reduce

the financial burden of high interest rates, which currently average 22.76% nationally.

We offer free financial counseling and access to an optional low-fee debt management program through our partner GreenPath Financial. You can schedule a call directly from our website.

Expanding the definition of our core value beyond just financial education aligns with a more complete view of economic well-being. We are dedicated to your overall financial success by addressing both immediate needs and long-term goals.

PRESIDENT'S CORNER

The Effects of Time and Interest Rate on a Car Loan

Every loan has an interest rate, a term, and a payment amount. Most people know their monthly or bi-weekly payment amount, but fewer can recall the interest rate or the length of the repayment period. It's important to know about these two components and their role in how much you pay, or can save, on a loan.

Consider a **\$30,000** car loan at **6%** vs. **7%** vs. **8%**:

At **6%** and financed over **72** months, the total interest paid is **\$5,797**.

At **7%** and financed over **72** months, the total interest paid is **\$6,826**.

At **8%** and financed over **72** months, the total interest paid is **\$7,872**.

So, each 1% equates to a difference of a little more than \$1,000 over the life of the loan, which is very significant. Consider the same example of a \$30,000 loan, but now assume you pay extra each month to have the car paid off in 60 months.

At **6%** and paid over **60** months, the total interest paid is **\$4,799--\$998** less than the example above.

At **7%** and paid over **60** months, the total interest paid is **\$5,642--\$1,184** less than above.

At **8%** and paid over **60** months, the total interest paid is **\$6,498--\$1,374** less than above.

With an identical interest rate and a 12-month shorter term you can save a thousand dollars or more. The goal is to secure the best interest rate, and then pay the loan down or off as quickly as possible. Taken together these actions can be worth thousands of dollars in real savings. Our staff knows this and will guide you into making educated decisions. Here's an example:

Some members were approved for \$30,000 on a 72-month loan. Our staff suggested the interest rate could be reduced by entering into a shorter-term loan. The members were hesitant to choose the shorter term feeling the monthly payment might be more than they could safely afford. Our employee then suggested financing at 72 months but making payments as though it were a 60-month loan. Those members now have that loan almost paid off and have saved over \$1,000 in interest, and they will be out of debt earlier than they originally planned. They kept their financial peace of mind knowing they had the option of making the reduced monthly payment amount, if needed.

Our credit union business model is based on earning your trust and always acting in your best interests. It's baked into our culture and our training. It's how we think and how we operate. It's not based on maximizing the return to the credit union's bottom line. It's based on our core values—Trust-centric, Better Together, and Financial Well-Being for All.

Many members have brought existing car loans to us from other lenders this year with an average interest rate of 9.22% and we have refinanced them at an average rate of 6.70% saving them more than \$46,000 collectively—that is awesome, and that is what we strive to do for you.

The Feds have signaled interest rates are forecast to fall thus putting you in a better position to refinance an existing loan. Bringing a car loan to us from another financial institution could add up to saving thousands, getting out of debt faster, and a lot of joy. If you'd like to talk with me, please call me at 402-472-6915 or email me at kkauffeld@nufcu.org. I welcome the conversation.

CELEBRATING International Credit Union Day

Thursday, October 17
3:00 p.m. - 5:00 p.m.



Stop by any NUCU branch to enjoy a root beer float on us!

SANTA LETTERS DELIVERED



Treat your little loved ones to a personalized letter from Santa. Beginning on Tuesday, October 15, you may request a personalized letter from Santa to your children, grandchildren, or any child for \$3.00 each. All proceeds benefit Children's Miracle Network. Visit us to complete a form at either Lincoln location, Kearney location or online at www.nufcu.org/santaleters. Completed letter request forms need to be turned in by November 14.

COMMUNITY DONATION DRIVES

Star City Stocking Stuffers

Help us collect unwrapped toys, gifts, and other contributions for local children of low income families. Drop off your donations at either Lincoln branch location, November 7 thru December 6.

Coat Drive for the Homeless

The Crossroads Mission Avenue in Kearney is looking for donations of new or gently used winter coats to help keep those who are in need warm this winter. Please consider dropping off a coat or coats for young or old to the Kearney branch November 4 thru December 6.

Student Loan On-Ramp is Ending.

Here is What Borrowers Need to Know



BY GREENPATH FINANCIAL WELLNESS

September 30, 2024, marks the official end of the Student Loan On-Ramp, a period in which student loan borrowers were protected against the more severe consequences of missed federal student loan payments.

During the COVID pandemic, federal student loan payments and – crucially – interest charges were paused for nearly three years. When the pause ended, there was a historically unprecedented return to payments for 45 million Americans. To ease the transition, an On-Ramp period was implemented.

Consequences for Late and Incomplete Payments

If borrowers missed payments or made partial payments during the On-Ramp period, interest continued to accrue on their loans but were not reported as delinquent to credit bureaus (with the aim of easing the transition for those who missed payments over the last year.) Now that the On-Ramp is ending, consequences for late, missed, or partial payments have resumed. Those consequences may include late fees, delinquency notation on credit reports, and decreases to credit score.

If fitting your student loan payment back into your budget has been challenging, you're not alone. There may be options

for you if your payment is currently unaffordable. Some income-based repayment plans are in limbo right now, but you can still visit [StudentAid.gov](https://studentaid.gov) to review your specific options. NUFcu also has a partnership with ISL Education Lending which offers a refinancing option for existing student loans. To find out more about ISL Education Lending visit nufcu.org/student-loan.

Maintain Communication with Your Lender

At GreenPath, we speak to people every day who are feeling stressed or overwhelmed with debt. We understand the desire to avoid or leave it for another day, but strongly encourage you to stay in contact with your student loan lenders. Student loan forgiveness and repayment are changing rapidly while politicians and courts each try to influence outcomes. It's advantageous for student loan companies to be able to communicate with you... you might be surprised to learn what you might qualify for when it comes to loan forgiveness.

If you're enrolled in the SAVE Plan, you'll get automatic updates about the status of the program. With the On-Ramp ending, there is less grace if you miss a payment, so you'll want to receive notifications of due dates and payment amounts. Whatever your situation, being in communication with your lenders is key.

LUNCH 'N LEARN

Below is the schedule for our Fall Lunch & Learn series. In person seminars will take place at the Downtown Lincoln location starting at 12:00 noon and will also be available on Zoom. Lunch will be provided for those attending in person. Kindly RSVP by calling 402-472-2087 or online at nufcu.org/seminars. The link for the Zoom presentations will be emailed a week before the seminar.

Welcome to Medicare

Wednesday, **October 9**

Noon – 1:00 p.m.

In person/Zoom

Jonathan Burlison, CCL

*SHIP/SMP Administrator
Zoom invite will be emailed to all who register*

Will You be Ready?

Thursday, **November 7**

Noon – 1:00 p.m.

Zoom Only

Attorney Jenny Tricker

*Estate planning
Probate – should you avoid it?
Trusts vs Wills*

Zoom invite will be emailed to all who register

ID Theft

Thursday, **November 14**

Noon – 1:00 p.m.

In person/Zoom

Dena Noe

*VP Member Experience, will present on:
Spot and Avoid Scams
ID Theft Tips
Credit Freeze pros and cons
Zoom invite will be emailed to all who register*



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University of Nebraska

FEDERAL CREDIT UNION

1720 P Street, Lincoln, NE 68508

LINCOLN

1720 P Street
301 N 52nd Street

Lobby Hours:

8:30-5:00 Monday-Friday

Drive up:

8:30-5:00 Monday-Friday

9:00-12:00 noon Saturday (East Only)

KEARNEY

208 W. 29th Street, Ste. C

Lobby Hours:

9:00-5:00 Monday - Friday

Drive up:

8:00-5:00 Monday-Thursday

8:00-5:30 Friday

EVENTS & SEMINARS

INTERNATIONAL CREDIT UNION DAY

Thursday, **October 17** | Root Beer Floats 3-5 p.m.
All branches

STAR CITY STOCKING STUFFERS

Nov 7 - Dec 6 | We will be collecting unwrapped toys, gifts and other contributions for local children of low income. – Drop off your donation at any Lincoln branch

COAT DRIVE FOR THE HOMELESS

Nov 4 - Dec 6 | We will be collecting new or gently used coats for Crossroads Mission Avenue in Kearney. Drop off your donation at the Kearney branch.

FALL SEMINARS

See page 3 for more details about our fall seminars.

CLOSED HOLIDAYS

OCTOBER

14 Indigenous Peoples' Day/
Columbus Day

NOVEMBER

11 Veterans Day
28 Thanksgiving Day

DECEMBER

24 Christmas Eve - Close at noon
25 Christmas Day

JANUARY 2025

1 New Years Day

find us online at www.nufcu.org or follow us on   

