

# The Financial Planner

The Official Newsletter of McCoy Federal Credit Union, Your Full-Service Community Credit Union  
January 2008

## The Financial Planner

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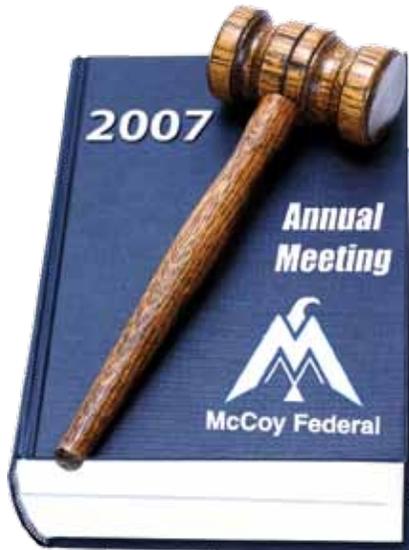
Alvin J. Cowans, CCUE  
President/CEO

For article submissions,  
questions or concerns email:  
wschneck@mccoyfcu.org

Website:  
www.mccoyfcu.org

Email:  
mccoy@mccoyfcu.org

(407) 855-5452



## McCoy Federal Credit Union Annual Meeting Wednesday, February 20, 2008 6:00 PM

McCoy Federal's Community Room  
41 W. Michigan Street  
Orlando, FL 32806

Reservations can be made by calling  
407-855-5452, ext. 1103  
by February 11.



Legends Pointe Center  
4300 S. Hwy 27 • Clermont, FL 34711

## We are **growing** to serve you better!

The Clermont Office (our 9th location) is  
expected to open in February 2008.

This will be our first office located in  
Lake County. For more information on  
the opening date, check our web site at  
[www.mccoyfcu.org](http://www.mccoyfcu.org).



**Question:** What is the Safest, Fastest Way to Get Your Tax Refund?

**Answer:** The IRS can deposit your tax refund directly into your checking or savings account. Direct Deposit is faster and safer than having a check mailed to your home address.

*This year, GO Direct and get your Tax Refund faster!  
(for complete instructions, check next page...)*

This Issue | 2007 Annual Meeting  
Fake Check Schemes

Tax Refund & Direct Deposit  
FICO scores and ways to improve it

New Clermont Office

The U. S. Department of the Treasury  
**Wants You to Know  
About a Fast and Safe  
Way to Receive Your  
Federal Income Tax  
Refund**

**DIRECT DEPOSIT** has been available for 30 years and is a safe, reliable, and convenient way to receive Federal payments.

IRS *e-file* has been available for more than 15 years. IRS *e-file* in combination with **DIRECT DEPOSIT** provides the fastest and safest way to receive your income tax refund each year.

Statistics prove that IRS *e-file* and **DIRECT DEPOSIT** mean faster refunds and fewer errors. Recipients who receive their refunds by **DIRECT DEPOSIT** have significantly fewer problems than with a paper check. If a problem does occur, it can usually be resolved in 24 hours, compared with an average of 14 days for a check problem.

With **DIRECT DEPOSIT**, you can avoid undeliverable checks returned to the post office and the possibility of lost, stolen, or forged checks. Each year, more than 100,000 taxpayers have their checks returned as undeliverable due to an old or incorrect mailing address. You don't have to make a special trip to the bank to cash or deposit your refund or stand in line once you get there. Your refund money will be in your account regardless of your busy schedule, bad weather, illness, or travel.

**FREE Direct Deposit**  
*Safe. Reliable. Convenient.*

## Your Choices for Filing Your Taxes

### Options:

1. On your personal computer using tax preparation software.
  2. Visit the IRS Web site, [www.irs.gov](http://www.irs.gov), to access commercial tax preparation and *e-file* services available FREE to eligible taxpayers.
  3. Through a professional tax preparer.
-  Form 1040 – Although IRS *e-file* is the preferred method for filing tax returns, you can still file a paper return.
-  VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) sites provide free tax preparation assistance. Call 1-800-829-1040 for your nearest site.

## Your Choices for Receiving Your Refund

-  **DIRECT DEPOSIT** into your account.
-  A check in the mail.

## How You Get Your Refund by Direct Deposit

Indicate on the refund portion of your electronic return or your Form 1040:

1. Your financial institution's routing transit number. Use a check to verify the routing number. If your check is payable through a financial institution different than the one where you have your checking account, do not use the routing number on the check. Instead, contact your financial institution for the correct routing number.
2. Your account number.
3. The type of account you have - Checking or Savings.

**To Check the Status of Your Refund**  
Call the Refund Hotline **1-800-829-1954**  
Or  
Visit the IRS Web site at [www.irs.gov](http://www.irs.gov), and click on "Where's My Refund?"

If you need your routing number, contact a Members Service Representative at 407-855-5452 or Toll Free 1-888-584-7701



## Security Alert: Fake Check Schemes

American consumers are being defrauded by overseas scam artists. The latest complaints relate to counterfeit checks including cashier's checks, checks that look like they're drawn on business accounts, money orders, traveler's checks and gift cheques. A common theme exists in all of the scams: Just because a deposited check shows up as "funds available" in your account register, it doesn't mean the check is good or has cleared. Federal law gives consumers the right to have quick access to the funds from deposited checks (usually within 1 to 5 days). However, it can take weeks for counterfeits to be discovered. The consumer is then responsible for ALL fees associated with the fake check. Also, no one who wants to **GIVE** you money should ask you **TO SEND THEM** money. For more information, visit [www.FakeChecks.org](http://www.FakeChecks.org).

*Fake Check Scams generally fall into one of the following scenarios:*

**Foreign Business Offers:** The potential victim receives an e-mail from a supposed foreign official, businessman, etc. with a proposal. The sender desires to move large sums of money from a foreign country and needs assistance.

The victim is usually offered a portion of the proceeds. If the victim agrees, he/she usually receives large denomination checks in the mail. The victim deposits the checks into his/her bank account and the funds are posted to the account and shown as "available." The fraudster wishes to send more money to the victim but quickly needs a portion of it returned in order to supposedly bribe an official, pay transfer fees, etc. The victim believes the previously deposited checks were genuine because the funds show as "available" in their bank account, so he/she honors the request and wires a portion of the funds back to the fraudster. The original deposited checks are returned as counterfeit and the victim is responsible for the loss and associated fees.

**Sudden Riches:** The potential victim receives a letter stating he/she has the right to receive a substantial sum of money. For example, the letter may state that the potential victim has won a foreign lottery or is the beneficiary of someone's estate (i.e., a long lost relative). The letter will inform the victim that he/she must pay a processing/ transfer tax or fee before receiving the money. However, a check or money order is enclosed to cover the required fee(s). The letter will ask the victim to deposit the check or money order into his/her bank account and wire the fee(s) to a third party, usually in a foreign country. This check or money order is eventually recognized as counterfeit and the victim is responsible for the loss and associated fees.

**Work-at-Home Schemes:** The potential victim answers an online advertisement or posts his/her resume on an Internet job search web site. The victim is awarded a job, "Payment Processing Clerk", "Accounts Receivable Clerk", etc. He/she is informed that the new employer is an international company located overseas. The company claims it costs too much to process U.S. checks in its own country and the victim's new job will be to receive payments (checks), deposit them into his/her bank account, and wire approximately 90 percent of the money to them. This will save the company time and money (processing fees). The victim is instructed to keep 5-10 percent of the check value as his/her work-at-home salary. The victim deposits the check(s) and wires the money to the fictional employer when the funds are shown as available and posted to his/her account. It is done, of course, before the deposited check(s) actually clear. This check or money order is eventually recognized as counterfeit and the victim is responsible for the loss and associated fees.

**Love Losses:** A scam artist poses as a single looking for a relationship through an online dating service. As the online relationship progresses, the potential victim-partner in the Internet relationship is informed funds are needed to pay for travel expenses for the person (scam artist) to travel to the United States so that the two can, "begin their life together." The victim soon receives checks or money orders. The victim is instructed to deposit the check or money order into his/her bank account and transfer a portion of the funds, via a wire service, to cover the expenses of his/her new boyfriend/girlfriend. The funds are posted to the victim's account and he/she wires the money to the new boyfriend/girlfriend. This check or money order is eventually recognized as counterfeit and the victim is responsible for the loss and associated fees.

**Overpayments:** A fraudster offers overpayments on items you advertised in the classified or online auctions. They send or give you a check or money order for more than the purchase price and ask you to send the extra to someone who will take care of shipping. But there's no reason why they can't send that person the money directly. In another scenario, scam artists say that a check or money order payment will come from someone who owes them money and tell the victim to deduct his/her share and send them the rest. Maybe they're in a foreign country and because of currency differences it's difficult to make payment directly. But it's easy to transfer money electronically from anywhere - there's no reason to have someone else send payment. Fraudsters sometimes claim they sent the wrong amount "by mistake" and ask victims to return the excess. Legitimate buyers will be happy to send the exact amount you're owed.

continued on next page...



# McCoy Federal

Your Full-Service Community Credit Union

PRESORTED  
STANDARD  
U.S. POSTAGE  
PAID  
ORLANDO, FL  
PERMIT NO. 1665



## Orlando Locations

1900 McCoy Rd  
35 W. Michigan St  
502 S. Chickasaw Tr  
5757 Curry Ford Rd  
5620 L.B. McLeod Rd  
2075 Central Florida Pkwy

## Apopka Location

931 N. Park Ave, Apopka

## Osceola Pkwy Location

1221 W. Osceola Pkwy,  
Kissimmee

## Clermont Location

4300 S. Hwy 27, Clermont  
(opening 1st Qtr 2008)

## Vehicle Loans

New Auto & Truck rates as low as 5.00% APR\* to 72 mo./ 0-24% down  
rates as low as 4.50% APR\* to 48 mo./ 25-49% down  
rates as low as 4.00% APR\* to 36 Mo./ 50% down  
Used Auto & Truck rates as low as 6.00% APR\*  
RV & Travel Trailers New: rates as low as 7.50% APR\*  
Used: rates as low as 8.25% APR\*  
Boats New: rates as low as 6.75% APR\*  
Used: rates as low as 7.50% APR\*  
Motorcycle New: rates as low as 5.00% APR\*  
Used: rates as low as 7.00% APR\*

## Mortgage & Real Estate Loans

1st Mortgage rates as low as 6.25% APR\* to 15 years  
rates as low as 6.75% APR\* to 30 years  
2nd Mortgage rates as low as 8.25% APR\*  
Home Improvement rates as low as 9.25% APR\*  
Home Equity Loan rates as low as 8.25% APR\*  
Land/Lot Loans rates as low as 10.25% APR\*

## Other Loans

Line of Credit rates as low as 10.50% APR\*  
UCC - 1 (Household) rates as low as 12.50% APR\*  
Other Secured  
- Max 48 months rates as low as 11.00% APR\*  
Unsecured rates as low as 12.00% APR\*  
Share Secured 3.50% APR\*

Share Certificate Secured: Interest rate equal to 2% above certificate rate

\*Annual Percentage Rate

## Credit Cards

VISA Platinum: rates as low as 8.96% APR\*  
Mastercard: rates as low as 10.42% APR\*

**NO Annual Fee**

Late Fee: \$25 if minimum payment is not received within 10 days of due date.  
Over Limit Fee - \$15.00 \*Annual Percentage Rate

## Share Rates • Dividend Rates

1.00% 1.0046% APY\* (Balances of \$50 and more)  
Anticipated dividend rate for 1st quarter 2008. Dividend rate compounded quarterly. A \$3.00 fee will be charged on share (savings) accounts when the balance falls below \$50 on the last day of the month. This will reduce the earnings on the share (savings) account.

IRA  
1.75% 1.7641% APY\*  
Dividend rate for 1st quarter 2008. Dividend rate compounded quarterly.

MMSA  
1.80% 1.8149% APY\*  
\*Annual Percentage Yield

## Regular Share Certificates

Term	Rate	APY
6 mo.	4.00%	4.0742%
1 yr	4.05%	4.1260%
2 yr	4.10%	4.1779%
2.5 yr	4.15%	4.2299%
3 yr	4.20%	4.2818%
5 yr	4.25%	4.3338%

Rates effective as of 12-19-07 • Rates are subject to change

## Contact Numbers

Telephone (All Locations)  
407-855-5452  
Toll Free  
888-584-7701  
TONI - the - Teller  
(24 hr. Telephone Account Access)  
407-857-8245  
Toll Free  
888-584-8268

## Office & Drive In Hours

**Lobby:**  
Monday - Thursday  
8:30 am - 5:00 pm  
Friday  
8:30 am - 6:30 pm  
**Drive In:**  
Monday - Thursday  
8:00 am - 5:30 pm  
Friday  
8:00 am - 7:00 pm

**E mail:** mccoym@mccoysfcu.org  
**Web Site:** www.mccoysfcu.org

*Fake Check Schemes continued...*

**Rental Schemes:** Finding a good roommate or someone reliable to rent your vacation property is hard enough without getting tangled up in a fake check scam. Learn the warning signs:

- They claim to be moving from outside the area, even from another country, and send a check or money order for rent in advance plus extra to cover the cost of shipping their belongings. They ask you to forward the shipping money to someone, but they can just as easily send it themselves.
- They have unexpected expenses and ask you to cash a check or money order or send some of the deposit back as a favor. But they never intend to move in, and by the time you discover the scam they've moved on to the next victim.
- Their check or money order for the vacation rental includes extra to rent a car. They ask you to send the extra to someone who will make those arrangements.
- Legitimate renters will be happy to send the exact amount you're owed.

### **Disclosure Notice: Regulation E Amendment**

Regulation E governs electronic transactions such as those you make with your debit or credit card. On July 5, 2007, the Federal Reserve Board published a final rule amending Regulation E which may affect the way you transact business. The amended rule states that you are no longer "entitled" to a receipt for a transaction of \$15 or less. The rule went into effect August 6, 2007. From this point forward you may find that you are not provided a receipt for small-dollar transactions done at an ATM or for purchases made with your debit or credit card. While other merchants or financial institutions may not provide a receipt for transactions of \$15 or less, McCoy Federal Credit Union will continue to provide receipts at our ATMs for all transactions regardless of dollar amount. If you need additional information regarding Regulation E please request an Account Disclosure Information booklet by calling 407-855-5452 or toll free 1-888-584-7701. You may also send your request via email to [McCoy@mccoyfcu.org](mailto:McCoy@mccoyfcu.org).

### **Verification Of Accounts**

The Supervisory Committee recently distributed a notice to all members, requesting you to verify that the balances listed on your quarterly statement are accurate. If you did not receive your statement, or if you find discrepancies on the form, please contact the Supervisory Committee at PO Box 593351, Orlando, FL 32859-3351

### **HOLIDAY CLOSINGS**

**New Year's Day**

Tuesday, January 1

**Martin Luther King Day**

Monday, January 21

**Presidents' Day**

Monday, February 18



### **LONG-TERM CARE COVERAGE CAN HELP YOU LIVE ON YOUR OWN TERMS**

*A Message from the McCoy Financial Service Program*

If long-term care should ever become a necessity, you'll want to have a choice in how you receive your care – and you'll want to stay in control of your finances. In other words: live on your own terms.

This has become increasingly important, especially since the costs for long-term care in a skilled care facility, or even in your own home, keep spiraling upward. And those costs can be financially devastating. An illness or injury requiring extended care could require you to spend your retirement savings – or most of your estate – for your long-term care needs.

Some people are under the mistaken impression that other policies will cover long-term care. The fact is: health insurance is for acute medical care, disability insurance replaces lost wages, Medicare is for short-term recovery care, and Medicaid only assists those with extremely limited assets, and care options may be limited.

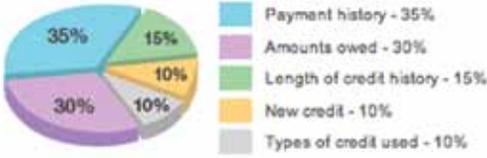
This may be a good time to consider this critical coverage, because premiums are based partly on age. As with any insurance, the time to purchase it is while you are in good health and can still qualify to get it.

For an assessment of your needs and a plan for helping you live on your own terms, contact John Austin\*, the Long Term Care Representative serving the members of McCoy Federal Credit Union. Simply call 407.341.6343.

\* Insurance products are not federally insured, may involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution.

B2MM-0606-43C1

✓ FICO® scores are your **credit rating** myFICO® a division of   
 ✓ They range from 300-850, **higher is better**  
 ✓ Most lenders **base approval** on them  
 ✓ Higher scores mean **lower interest rates**  
 ✓ FICO® scores are calculated based on your rating in **five general categories**:



Category	Percentage
Payment history	35%
Amounts owed	30%
Length of credit history	15%
New credit	10%
Types of credit used	10%

✓ We're the **inventor** of the FICO® score  
 ✓ We're the **only site** offering all 3 of your FICO® scores  
 ✓ The median FICO® score in the U.S. is **723**

source: [www.myfico.com](http://www.myfico.com)

**New Credit Tips**

- Do your rate shopping for a given loan within a focused period of time. FICO® scores distinguish between a search for a single loan and a search for many new credit lines, in part by the length of time over which inquiries occur.
- Re-establish your credit history if you have had problems. Opening new accounts responsibly and paying them off on time will raise your credit score in the long term.
- Note that it's OK to request and check your own credit report. This won't affect your score, as long as you order your credit report directly from the credit reporting agency or through an organization authorized to provide credit reports to consumers.

**Types of Credit Use Tips**

- Apply for and open new credit accounts only as needed. Don't open accounts just to have a better credit mix - it probably won't raise your credit score.
- Have credit cards - but manage them responsibly. In general, having credit cards and installment loans (and paying timely payments) will raise your credit score. Someone with no credit cards, for example, tends to be higher risk than someone who has managed credit cards responsibly.
- Note that closing an account doesn't make it go away. A closed account will still show up on your credit report, and may be considered by the score.

**Improving Your FICO® Credit Score**

It's important to note that raising your FICO® credit score is a bit like losing weight: It takes time and there is no quick fix. In fact, quick-fix efforts can backfire. The best advice is to manage credit responsibly over time. See how much money you can save by just following these tips and raising your credit score.

**Payment History Tips**

- Pay your bills on time. Delinquent payments and collections can have a major negative impact on your FICO® score.
- If you have missed payments, get current and stay current. The longer you pay your bills on time, the better your credit score.
- Be aware that paying off a collection account will not remove it from your credit report. It will stay on your report for seven years.
- If you are having trouble making ends meet, contact your creditors or see a legitimate credit counselor. This won't improve your credit score immediately, but if you can begin to manage your credit and pay on time, your score will get better over time.

**Amounts Owed Tips**

- Keep balances low on credit cards and other "revolving credit". High outstanding debt can affect a credit score.
- Pay off debt rather than moving it around. The most effective way to improve your credit score in this area is by paying down your revolving credit. In fact, owing the same amount but having fewer open accounts may lower your score.
- Don't close unused credit cards as a short-term strategy to raise your score.
- Don't open a number of new credit cards that you don't need, just to increase your available credit. This approach could backfire and actually lower your credit score.

**Length of Credit History Tips**

If you have been managing credit for a short time, don't open a lot of new accounts too rapidly. New accounts will lower your average account age, which will have a larger effect on your score if you don't have a lot of other credit information. Also, rapid account buildup can look risky if you are a new credit user.

*To learn more about your FICO score, credit reports and tips on how to improve them, visit:*  
[www.myFICO.com](http://www.myFICO.com)



**Fixed Rate as low as**  
**8.96%**  
 annual percentage rate

**VISA PLATINUM**

MCCOY CREDIT UNION  
 VISA  
 NCUA

• CU Rewards Points • Credit Line up to \$30,000 • No Annual Fee • No Balance Transfer Fees • No Cash Advance Fees