

## It really pays to be a member

For the **sixth** year in a row, members have earned a triple dividend on all savings accounts, which means, instead of the normal 0.4% APR, all savings accounts earned 1.2% for the quarter ending Dec. 31. This equals more than \$60,000 paid to members.

Additionally, a 6.5% loan interest rebate, to honor the credit union's 65th anniversary this year, was returned to all members who had a consumer loan during 2018. This rebate equates to more than \$42,000 paid back to borrowing members.

Last, but not least, all checking accounts earned the reward rate for December, which means everyone with an open checking

account got the 2.25% dividend no matter if they met the qualifications or not. This reward paid more than \$5,000 to checking account holders.

These member rewards are directly related to the positive results our credit union had in 2018 – member growth, loan growth, and better than budgeted net income. The board of directors is committed to returning a portion of the earnings back to the members who help generate it.

When you total all these rewards, we paid members more than \$107,000 on Dec. 31.

**More than \$60,000** in triple dividends paid.  
**\$42,000** rebate paid to borrowing members.  
**\$5,000** to checking account holders.  
**\$107,000 total** in paid rewards to members.



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## Fourth Quarter 2018

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[www.ksbcbscu.org](http://www.ksbcbscu.org)

### Important Dates:

#### March 29

Scholarship application deadline

#### April 1-30

National Credit Union Month

#### April 15

Deadline for 2018 IRA contributions

#### April 23

65<sup>th</sup> Annual Meeting



## If you want to raise your score, you can do a few key things.

When it comes to credit scores, there's almost always room for improvement. If you've pulled your score and you're not satisfied with the number you received, there are several strategies to boost it. But first, you need a little insight into how that score is calculated.

VantageScore uses five major categories of information, all of which was reported to the credit bureaus by your lenders to generate scores that range from 350 to 850 (higher is better, of course). Each category is weighed differently. Here's a breakdown:

- » 40% is based on your payment history, and whether you pay on time.
- » 21% is the age and type of credit you have. This percentage factors in how long you've had different kinds of credit accounts open. The older and more diverse (auto, mortgage, credit card) your credit is, the better.
- » 23% is your credit utilization. Also known as credit usage, it's the ratio between the total balance you owe and your total credit limit on your accounts. It's best to keep your credit utilization below 30 percent — this is because if you are consistently maxing out your credit cards, it'll look like you need money in the eyes of a lender.
- » 11% is based on your total amount of recently reported balances on your credit accounts. You'll want to keep your balances generally low because that'll suggest to lenders that you are capable of making your payments on time.
- » 5% is based on recent credit applications. Opening multiple credit accounts in a short period of time could represent a greater risk for lenders — multiple recent inquiries may worry lenders that you are applying to so

*(continued on page 4)*

A photograph of a pink piggy bank wearing black-rimmed glasses, sitting on a desk next to a calculator. A green speech bubble contains text about automatic savings.

**Adulting Tip #264**  
**TAKE ADVANTAGE OF AUTOMATIC SAVINGS**  
Automate your savings!  
Have a certain amount from your paycheck deposited into a savings account. If you deposit **\$20** biweekly, you'll have **\$520** saved in 12 months.





# CREDIT PULLS:

## Hard vs. Soft Inquiries

We're giving you the 411 on credit inquiries, because knowing how they affect you is a big part of being financially healthy. When you apply for credit or a loan a creditor will "pull" your credit. This check is called a hard inquiry — but there are also soft inquiries, too. Here's what makes them different:

### HARD INQUIRIES...



Are used after you apply for credit to determine whether or not you will get it.



Will show up on your credit report, and will typically remain there for two years.



Are commonly used for applications for mortgages, auto loans, credit cards, student loans, personal loans and apartment rentals.



Require your consent in order for companies to pull your report.



Can lower your score, especially if you have too many pulls in a short amount of time (though pulls in a two week period for the same type of loan — like a mortgage — are viewed as a single one).

### SOFT INQUIRIES...



Are commonly used for employment verification, to pre-approve you for offers, insurance quotes or when you are checking on your score and report.



Show companies exactly what you would see if you were to pull your own credit report from Experian, Equifax or TransUnion.



Are accessible by companies without your permission — but don't worry, it doesn't affect your credit in any way.



Won't negatively affect your credit score and won't appear on your credit report.

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**Jean Chatzky**  
Director of Education, Editor in Chief

many places because you are unable to qualify for credit — or because you need money in a pinch — so avoid opening too many accounts too quickly. You don't have to worry about this if you're shopping for a mortgage or car loan. All inquiries within a 14-day period count as a single one.

## More tips for raising your credit score

- » Pull your credit reports. The three major credit scoring bureaus, TransUnion, Equifax and Experian, will each allow you one free copy of your report a year. Plus, your credit union is a CreditSense/SavvyMoney partner, so you have access to your report and score daily. If you get a copy directly from the credit scoring bureaus spread them out by pulling one every four months. If you find an error on your report, you should dispute it. Simple mistakes – the wrong address or a misspelling of your name – can be fixed by calling the creditor and asking for an update. If they won't oblige, or the error is more complicated, you should dispute directly with the credit bureaus. You can do this online.
- » Pay your bills on time. One day late is still considered late, and just one late payment can lower your score.

- » Pay down credit card debt. You don't want to be using more than 30% of the total credit available to you. Keeping your utilization well below that (closer to 10%) can give your score a boost.
- » Hang onto old cards. Your credit score benefits from long relationships with lenders, so cut them up, but don't cancel them if you can help it.
- » Be thoughtful about shopping for new credit. Every time you apply for a new card or loan, the lender takes a peek at your credit history, which dings your score.
- » Spread your debts around. The mix of credit you have in your file — mortgages, student loans, auto loans, credit cards—shows that you can juggle debt from multiple sources.

Remember that time – and patience – are key. You shouldn't expect a change overnight, but you will see improvement over the course of 12 to 18 months – shorter, if your score is already fairly high and you're just looking for a bit of a jump.

– “Source: Blog post from the Your Money blog on CreditSense by Jean Chatzky”

**WHAT TO DO FINANCIALLY AT THE END OF THE YEAR**

- FORECAST**  
Forecast your expenses for 2019. See if you'll have to increase savings for certain items.
- RE-EVALUATE**  
Re-evaluate your expenses and see what you can cut out, like subscriptions.
- CHECK**  
Check your retirement savings. Make sure you're on track for hitting your retirement goals.
- PREPARE**  
Prepare for tax seasons. Get documents in order, review your W-4 and adjust withholdings, if needed.
- USE**  
Use up the money saved in your Flexible Spending Account for health care expenses.

**My Mobile Money** 1:58 PM  
OK, that spending limit we set for your daughter?  
Two words: shoe store.  
13:58 at SHOES R US

**My Mobile Money. Control how your card is used anywhere, anytime.**

Now you can have greater spending control and protection from fraud for your card. My Mobile Money lets you manage your Kansas Blue Cross Blue Shield Credit Union debit card with customizable alerts that let you know when, how and where your card is used. You can set them up, and turn them on and off when you choose. So, no matter what your financial goal is, My Mobile Money will help you reach it.

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