

# RED WING CREDIT UNION



## QUARTERLY FOCUS

### *Preview Spring 2021*

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# BUSINESS OF THE YEAR

The Red Wing Chamber of Commerce Annual Awards Presentation for 2020 was broadcasted via ZOOM on Thursday, February 25, 2021. Members were classified into 11 different categories that best represent their businesses. Awards were announced for the winning organizations recognizing their exceptional performance in the community. Red Wing Credit Union was selected as Business of the Year in the category Finance, Insurance & Legal.

President, Aaron DeJong said with all the challenges in 2020, he is pleased to win the award for the fifth consecutive year. Every business in this category worked hard and performed well this year, overcoming obstacles and focusing on to how meet the community's needs in an unfamiliar time. It is an honor to be acknowledged for our hard work and service. We want to thank those who recognized our efforts and voted for us. Our staff will continue to work toward improving the financial lives of our members by delivering quality, innovative products and beneficial services every day.



# OFFICIAL NOTICE

## Red Wing Credit Union Annual Business Meeting

**Tuesday,  
May 18, 2021  
6:30 p.m.**

St. James Hotel  
Summit Room  
406 Main Street | Red Wing, MN

The Board of Directors of Red Wing Credit Union extend to you, our membership, a personal invitation to attend the 66th Annual Business Meeting. This meeting will feature various financial reports on the condition of the credit union, as well as the election of directors to serve on the Board of Directors and the Supervisory Committee.

Door prizes will be drawn at random; winners must be present to win.

**Registration is required at Red Wing Credit Union prior to attending the meeting.**

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## PREMIUM TEXTING

**If we detect a suspicious transaction on your card, we'll let you know immediately by text.**

Red Wing Credit Union has upped the ante against fraudsters, as we have your security in mind. We strive to make sure using your Red Wing CU debit and credit card is both safe and convenient, so you don't have to worry. Beginning March 17, 2021 our new Premium Text Notification service, powered by the EnFact Fraud Monitoring system, will notify you immediately by texting your cell phone if a suspicious transaction is detected on your debit or credit card.

**When a suspicious transaction is detected, you can expect a text message to come from the short code 37268.**

The text message will offer basic information about the suspected transaction, including the amount of the transaction and the merchant information, if available. Verifying a transaction is as effortless as replying "YES", the system will mark the transaction as legitimate, and you can get on with your day – simple as that! If you indicate the transaction is fraudulent by responding "NO", you'll receive another message with a number to call for follow-up. It's quick, easy and lets you stay confident while using your Red Wing CU Visa cards.

**How do I sign up to receive Premium Text Notifications?**

Cardholders are automatically enrolled in this service, and as long as we have your current cell phone number on file, there is no action to take. If you need to verify or update your cell phone number, give us a call 651-388-7133.

Red Wing Credit Union does not charge for this service; however, you may opt out of the service at any time by replying "STOP" to the short code 37268.

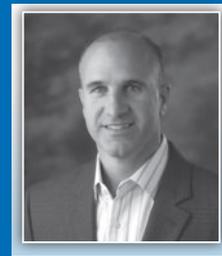
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## CREDIT UNION MEMBERSHIP SURVEY

We want your opinion! How can we better serve you? Watch your email inbox for a message from Red Wing Credit Union in early April. The email will contain a brief survey on how your credit union can best meet your financial needs. Six lucky participants will be randomly drawn for a \$100 Visa gift card. Your feedback is important so your credit union can get to know you better and provide the financial tools you need.

# INVESTMENT CORNER

by Rich Douglas



## BUILDING A HEALTHY FINANCIAL FOUNDATION

How many pieces do you have in place?

When you read about money matters, you will sometimes see the phrase, “Getting your financial house in order.” What exactly does that mean?

**When your financial “house is in order,” it means it is built on a solid foundation.** It means that you have six fundamental “pillars” in place that are either crucial for sustaining your financial well-being or creating wealth.

**#1: A savings account.** This is your Fort Knox: the place where you store and build the cash you may someday use for your biggest purchases. Savings accounts pay a modest interest rate. You should still consider having a savings account, even in today’s low-interest rate environment. Banks and credit unions often limit the number and amount of withdrawals you can make from savings accounts per month.

**#2: A checking account.** This is your go-to account for everyday expenses, whether you pay your bills digitally or the old-fashioned way. Checking accounts pay a modest interest rate. Some accounts may have minimum balance requirements, so it’s best to closely read the new account information. Also, opening a checking account may lead to opening a credit card account at the same financial institution.

**#3: An emergency fund.** This bank account helps you deal with the unexpected. You know that label you see on fire extinguisher boxes – “break glass in case of emergency?” Only in a financial emergency should you “break into” this account. What is a financial emergency? Everyone’s definition varies, but examples include hospital bills, major car repairs, and unemployment.

**#4: A workplace retirement plan account.** Some want to start saving for retirement as soon as possible. Workplace retirement plans offer you a convenient way to get started. In most of these plans, your contribution is made with pre-tax dollars.<sup>1</sup>

Money saved and invested in these accounts can compound, and the compounding may become greater with time. Consistent monthly investment is the “fuel” for your account.

Regular monthly investing does not protect against a loss in a declining market or guarantee a profit in a rising market. Individuals should evaluate their financial ability to continue making purchases through periods of declining and rising prices. The return and principal value of stock prices will fluctuate as market conditions change. Shares, when sold, may be worth more or less than their original cost.

**#5: An Individual Retirement Arrangement (IRA).** This is a tax-advantaged retirement savings account you own. There are traditional IRAs (up-front contributions are not taxed; retirement withdrawals are) and Roth IRAs (up-front contributions are taxed; retirement withdrawals are not, provided federal tax laws are followed).<sup>2</sup>

Mandatory annual withdrawals are required from traditional IRAs starting at age 72. The money distributed to you is taxed as ordinary income; if such distributions are taken before age 59½, they may be subject to a 10% federal income tax penalty. No mandatory annual withdrawals are required from Roth IRAs while the original owner lives. To qualify for the tax-free and penalty-free withdrawal of earnings, Roth IRA distributions must meet a five-year holding requirement and occur after age 59½. Tax-free and penalty-free withdrawal can also be taken under certain other circumstances, such as the owner’s death. The original Roth IRA owner is not required to take minimum annual withdrawals.

Thanks to the SECURE Act, you may contribute to Roth and traditional IRAs all your life, as long as you meet the earned-income requirement for account contributions.<sup>2</sup>

**#6: A taxable investing account.** This is also popularly called an investment account or brokerage account. Unlike an IRA or workplace retirement plan, the invested assets in these accounts are taxed each year. A taxable investing account gives you access to a wide range of investment products, which can help complement the other accounts in your financial foundation.

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Citations 1. Tax Policy Center, May 2020 | 2. Internal Revenue Service, November 10, 2020



## WELCOME!

Jonathan Kampe joined our Financial Service Representative team. Jonathan is a junior in high school and is taking post-secondary enrollment options classes online through Northwestern. After graduation, he would like to pursue a career in a numbers-oriented field. In his spare time Jonathan enjoys bible quizzing, following sports and making You Tube videos. Come in and say "Hi" to Jonathan the next time you are in the credit union.



## SCHOLARSHIPS 2021

Are you a Red Wing Credit Union member graduating in 2021 planning to attend a college or trade school? If you are, you are eligible to apply for our scholarships. We will have two \$500 tuition scholarships and the Rhonda Schulz Memorial Scholarship for \$1,000. Those interested in applying need to complete the application available on our website: [www.redwingcu.com](http://www.redwingcu.com). Please complete the application which includes a five-hundred-word essay that answers the following question: "Community service is an integral part of credit unions. Share an experience when you contributed your time and/or talents in the community. What did you learn from the experience?" The deadline for this application is Friday, April 30, 2021. Scholarship winners will be announced in the next edition of this newsletter as well as in the Red Wing Republican Eagle.

The qualifications for these scholarships are the recipients must be a member of the credit union, a 2021 graduating senior in high school and maintain a 3.00 grade point average in their first term at an accredited, post high school institution of higher education.

Congratulations to all the 2021 graduating seniors and best wishes in their future endeavors.



## NEW WEBSITE COMING SOON

Don't be surprised when you open Red Wing Credit Union's website and see a new, improved, updated design. In the upcoming weeks we are preparing to introduce an upgraded website to ensure members have the same outstanding member experience on computers and mobile devices they get in our office. With a streamlined structure and clearer organization and messages, you will get the information you need faster and easier than ever before.

With more and more people using phones and other mobile devices for accessing the Internet, our new website is optimized to support these devices. With large graphics and focused content, finding what you are looking for will be easier. While our website is getting a new look, our online banking and mobile app will remain the same. Accessing these services will be easy to find with the same login screens with no changes to user experiences or your accounts.

We are excited about the changes coming our way and hope you will be too. Look for bold, easy to read content, dynamic, up to date information and helpful resources. Stay tuned as we continue to improve [www.redwingcu.com](http://www.redwingcu.com)!

## SPRING AND SUMMER HOLIDAY CLOSINGS

Red Wing Credit Union will be closed the following days to commemorate the following holidays:

- |                         |  |
|-------------------------|--|
| <b>Easter Saturday</b>  | Saturday, April 3, 2021                        |
| <b>Memorial Day</b>     | Saturday, May 29, 2021<br>Monday, May 31, 2021 |
| <b>Independence Day</b> | Saturday, July 3, 2021<br>Monday, July 5, 2021 |

Remember, you can access your credit union accounts 24/7 via [www.redwingcu.com](http://www.redwingcu.com), Touch Tone Teller, and our mobile banking app. You can also obtain cash with an ATM or check card. Come to the office and talk to a member service representative about these free services.

