



Member Memo

CEO Update

January 2003

2002 was another successful year for your Credit Union. We were able to introduce a number of new products and services including our Platinum VISA card program and a wider array of mortgage loan options including an affordable, fixed rate, 30 year home mortgage loan. We have developed a partnership with Freddie Mac, created by the U.S. Congress in 1970 and one of the nation's largest providers of mortgage funding, to satisfy our members' long-term, fixed rate mortgage demands. Our new program will mean competitive rates, affordable closing costs, immediate loan approvals and an expedited mortgage closing process. I encourage you to give us the opportunity to make your dreams of homeownership become a reality.

Construction will soon commence to renovate our Teller servicing area in our Alpena office. The project will expand the number of Teller window stations from the present five stations to a total of eight service stations. Work is scheduled to begin in early February 2003 and should be completed within a two-week time frame. We will do our best to minimize any inconvenience to you, our member, but ask for your patience as we strive to improve the overall level of service being provided. In addition, our Alpena drive-up facility will be undergoing extensive renovations to replace all drive-up equipment.

There are three Board of Director positions up for election this year. Candidate Tom Brindley will challenge incumbents Jim Johnson, Dave McNeil and Tom Young. I encourage you to review each candidate's biographical outline located on the last page of the newsletter. Enclosed with this newsletter is an election ballot. Cast your ballot and deposit it in the United States mail, or drop it off at any one of our branch offices. A locked ballot box will be located at each office to ensure your vote is confidential.

Alpena Alcona Area Credit Union will be celebrating its 50th Anniversary in 2003. I want to assure you that we don't plan on retiring, but plan on continuing our commitment to provide you with the finest package of financial products and services around.

The Board of Directors, Committees, Credit Union Staff and I would like to take this opportunity to wish you and your family a Happy New Year. May the year 2003 bring you and your family good health, prosperity, and happiness.

I appreciate and encourage your comments and support as we move forward together to meet the financial needs of you and your family. Please contact me in person at our Alpena office, by phone at 356-3577, extension 223, or via e-mail at dmills@aaacu.com.

Sincerely,

Donald J. Mills
President/CEO

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We're Celebrating 50 Years of Service! Come Celebrate With Us at Our Annual Meeting and Dinner



PLACE
Alpena Civic & Convention Center
DATE
March 1, 2003
TIME
5:30 p.m. Cocktails
6:30 p.m. Dinner
PRICE
\$12.50 per person
CASH BAR

*Ticket price includes dinner, wine and entertainment. Tickets are available at each branch office. The deadline for purchasing tickets is **February 21, 2003.***

We are proud to serve the financial needs of the community. We hope you will come join in the celebration of our 50 years of service.

Personal Achievement Award

Each year the Credit Union recognizes a staff member who makes a conscious effort to improve themselves educationally during the year. This year the award was presented to Kari Morgan. Kari is a Loan Clerk in the Alpena office and has been on staff since April 2002.



Kari Morgan

Congratulations Kari!

Employee of the Year

Beth Liske has been selected as our 2002 "Employee of the Year". Beth is the Assistant Branch Manager at the Ossineke Office and has been a member of our staff since November 1994. We appreciate her hard work and dedication to our Credit Union family.



Beth Liske

Congratulations Beth!

Important Information: More Mortgage Loan Options For You!

Freddie
Mac

Your Credit Union now has more mortgage options available for you!!! Now you can apply for longer term mortgage loans: up to 30-year fixed, 7-year balloon, and much more . . .

Our new Freddie Mac program offers competitive rates, on-the-spot approvals, affordable closing costs, and faster closings!

So, before you shop around call Jane or Debbie in the mortgage department at 989-356-3577 extension 237 or 235 for further information. You can also log onto www.freddiemac.com and click on Homeownership Resources for important home mortgage education.

VISA PLATINUM

Auto Rental Insurance*. Coverage for collision damage or theft with card purchase of auto rental.

Warranty Manager*. Doubles the manufacturer's written U.S. warranty up to one year on warranties of three years or less. Register your purchases by phone or online.

*Certain restrictions and conditions apply.

For complete benefit information, go to www.visa.com/benefits or call 1-800-595-9928.

Employee of the Quarter

Our staff members recently nominated Debbie Sucharski as "Employee of the Quarter" for January through March 2003. Debbie is the Mortgage and Home Equity Specialist at the Credit Union, and has been a member of our staff since November 1989. Debbie is always eager to help the membership, and we are glad she is a part of our credit union team.



Debbie Sucharski

Congratulations Debbie!

Look For the **CO-OP Network** Logo for Surcharge Free Access to Your Accounts at the Following ATM Locations:

- ◆ Alpena Alcona Area Credit Union - Bagley St., Alpena
- ◆ Alpena Alcona Area Credit Union - M-33 N., Atlanta
- ◆ Alpena Alcona Area Credit Union - Church St., Lincoln
- ◆ Alpena Alcona Area Credit Union - US 23 S., Ossineke
- ◆ Alpena County Medical Credit Union - Miller St., Alpena
- ◆ Besser Credit Union - US 23 N., Alpena
- ◆ Besser Credit Union - Bagley St., Alpena
- ◆ Calcite Credit Union - Michigan Ave., Posen
- ◆ Calcite Credit Union - Third St., Rogers City
- ◆ 7 - Eleven - Ripley Blvd., Alpena
- ◆ Huggler Oil - M 32, Alpena
- ◆ HPC Credit Union - Chisholm St., Alpena

SAVINGS RATES

Effective as of December 16, 2002
(Rates are subject to change)

Annual Annual
Percentage Percentage
Rate Yield

Regular Shares	1.90%	1.91%
Preferred Shares	2.00%	2.02%
Christmas Club	1.90%	1.91%
Vacation Club	1.90%	1.91%
Insured Money Market	2.05%	2.07%
Traditional IRA	3.40%	3.44%
Roth IRA	3.40%	3.44%
Education IRA	3.40%	3.44%

Dividends on the Regular shares, Preferred shares, IRA shares, Vacation Club, and Christmas Club are computed using the daily balance method and paid quarterly. Interest on Insured Money Market Account is computed using the daily balance method and paid monthly. If the account is closed before the quarter ends, you will forfeit the dividend and/or interest earned on your account.

For current rates and terms on Share Certificates, IRA Certificates, and Insured Money Market Accounts, contact one of our Membership Services Officers at (989) 356-3577, LeAnn at extension 222 or Patty at extension 232, or e-mail memberservices@aaacu.com.



Construction Zone

In order to better serve your financial needs in the future, our Alpena office will be undergoing some remodeling in late January and February. Please bear with us during this time, and be assured we will do our best to serve your financial needs without interruption.

Thank you for your patience!

LOAN RATES

Effective as of December 16, 2002
(Rates are subject to change)

Monthly

Payment

New Vehicles APR Per \$1,000

24 Months	5.25%	\$43.99
36 Months	5.25%	\$30.09
48 Months	5.25%	\$23.15
60 Months	5.25%	\$18.99
72 Months (\$25,000 or more)	5.75%	\$16.46

We will finance 100% of the suggested retail price
Including tax, title, license, and extended warranty.

Monthly
Payment

Used Vehicles APR Per \$1,000

2001-02 Models		
60 Months/Under 20,000 Miles	6.25%	\$19.45
48 Months/Over 20,000 Miles	6.25%	\$23.61

2000 Models

54 Months/Under 25,000 Miles	6.25%	\$21.30
48 Months/Over 25,000 Miles	6.25%	\$23.61

1999 - 1997 Models

Up to 48 Months	6.25%	\$23.61
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For older model vehicles please contact the Credit Union Loan Department for current rates and terms.

All used vehicles financed will be based on 100% of NADA Book Retail Value. We also have Mortgages, Home Equity, Personal (Unsecured), Snowmobile, RV, and Share Secured loans. Call the loan department for current loan rates or further information.

VISA Classic	12.96%	Fixed APR
VISA Platinum	10.96%	Fixed APR

1953 ~ 2003 A Special Milestone

The Alpena Alcona Area Credit Union was originally chartered November 30, 1953, as the Alpena Governmental Employees Credit Union. In November 1975, the Credit Union merged with Alcona County Governmental Employees Credit Union. In 1983, officials approved another merger – this time with Shoreline Community Credit Union in Ossineke. In 1984, the name was changed to what we are known as today, “Alpena Alcona Area Credit Union”.

The Credit Union was first located under an old stairwell at Alpena’s City Hall. From there, it was moved to the basement of the Credit Union’s Treasurer. However, shortly thereafter, the Credit Union officials decided the Credit Union needed a home of its own – what many of us remember as “the old Scott’s Ice Cream Parlor” on the corner of State and Campbell Streets. In 1976, to accommodate a thriving membership, Credit Un-

ion officials decided to build a new home at 1100 South Bagley Street in Alpena.

Today the Credit Union has grown to over \$112,000,000 in assets, and over 21,000 members. There are now four Credit Union offices serving the financial needs of three counties. This will be an exciting year as we celebrate this special milestone!

Main Office
1100 S. Bagley
P.O. Box 515
Alpena, MI 49707-0515
(989) 356-3577

Atlanta Branch
11450 M-33 North
P.O. Box 633
Atlanta, MI 49709-0633
(989) 785-3800

Lincoln Branch
111 S. Church St.
P.O. Box 58
Lincoln, MI 48742-0058
(989) 736-8912

Ossineke Branch
11610 U.S. 23 South
P.O. Box 84
Ossineke, MI 49766-0084
(989) 471-2332

William Teller Audio Response Local 356-6363
Long Distance 800-356-6222

Internet Address www.aaacu.coop
E-mail aaacu@aaacu.com

Hours

Lobby
Mon.—Thurs 9:00 am – 5:00 pm
Friday 9:00 am – 6:00 pm
Saturday 9:00 am – 12:00 pm
(Atlanta Only)

Drive-thru
Mon.– Thurs. 8:30 am – 5:00 pm
Friday 8:30 am – 6:00 pm
Saturday 8:30 am – 12:00 pm
(Alpena/Lincoln/Ossineke Only)

Board of Directors

Bruce Connon Chairperson
Sheila Panknin Vice-Chairperson
Dave McNeil Treasurer
Jeffrey Trelfa Secretary
Jim Johnson Director
Marlena MacNeill Director
Thomas Young Director

Supervisory Committee

Alene Liske Chairperson
Jane Waldeck Member
Tony Suszek Member

Credit Committee

Dennis Artley Chairperson
Donald Urban Member
Sharon Kapalla Secretary
Jane Kakowski Member

President / CEO Donald J. Mills
dmills @aaacu.com
989-356-3577 x223

Newsletter Editor Annie Wilk



Meet the Board Candidates

Tom Brindley

Tom is employed by the Alpena Community College as the Controller. He received his Bachelor of Science Degree in Journalism from Iowa State University, Bachelor of Arts Degree in Economics and Accounting from Iowa State University, and Master of Business Administration from Lake Superior State University.

Tom is currently serving as the Vice President for Habitat for Humanity, Alpena Area, Inc. He is a Deacon at First Presbyterian Church in Alpena. He is also an active member of the Michigan Community College Business Officers Association.

During Tom's free time he enjoys golfing, tennis, reading, hiking and traveling. Tom resides in Alpena with his wife Karen who is employed at JoAnn's Fabric & Crafts and they have three children.

Jim Johnson Incumbent

Jim Johnson has served on the Alpena Alcona Area Credit Union Board of Directors for the past six years. He is retired from the Alpena Public School's Area Skills Center. Jim served the last fifteen years of his teaching career as an Agriscience/Natural Resources/FFA instructor in the Alcona School District. He is presently the Safety Coordinator and a Marketing Representative for DeVere Construction in Alpena.

Jim received his B.S. degree from Minnesota Morris, M.A. of Natural Science degree from the University of Idaho in Moscow and Production Agricultural Certification from Michigan State University.

Jim and his wife Kathy live on a small farm on Long Rapids Road. He enjoys activities with his children and grandchildren. Jim's avocations include auctioneering, working with horses and dogs, athletic officiating, and participating in other sporting activities.

Dave McNeil Incumbent

Dave is completing his third term on the Board of Directors, acting as Treasurer. He is a retired Superintendent of Schools for Superior Central School District. He received his A.S. from Alpena Community College, B.S. from Central Michigan University, M.A. from Eastern Michigan University, and Ed.S. from Eastern Michigan University.

Dave is a member of the Alpena Chamber of Commerce Ambassadors Club, Alpena Shrine Club, and is active with Boy Scouts of America, Air Force Association, and numerous other organizations. He was selected as Citizen of the Year in 2001 for his community involvement. He is currently the President of the Educational Service District.

Dave resides in Ossineke with his wife Marvis. He enjoys golfing, fishing, camping, backpacking, painting, drawing, and woodcarving.

Tom Young Incumbent

Tom is publisher/owner of the Montmorency County Tribune in Atlanta, in his 25th year there. A third generation newspaperman, he is originally from Minnesota, and studied journalism at the University of Minnesota.

He is active in Rotary and Lions clubs, in an animal shelter project, HeadWaters Land Conservancy, and enjoys hunting, shooting sports, fishing and woodworking. His wife, Carol, works with him in the business, and they have three grown children.

Earlier in his career, he worked on the publications staff of a mid-west farm service cooperative, and joined his first credit union there. He understands the goals of member-owned organizations and hopes to continue to serve AAACU and represent their newest service area.

Mission Statement: *The mission of Alpena Alcona Area Credit Union is to serve our members' financial needs by providing progressive quality services delivered with integrity and commitment.*