

\$\$\$ MONEY TIP \$\$\$ How Credit Scoring Changes May Affect You

By Carey Denman

I think it would be an understatement to say that the notion of a credit score, a number based on your financial behavior and one that lenders, insurers, employers, and cell phone companies use to make decisions, can be a wee bit intimidating. Perhaps that's why recent data from the Consumer Federation of America reveals that less than half of consumers with credit files know what their credit score is.

Even if you have a good idea of what your credit score is and have a general knowledge of how it is calculated, you should know that the rules of the leading credit scoring model are about to change. Beginning in mid-January, Fair Isaac & Company (FICO), used by 90% of the nation's largest lenders, will change how it predicts defaults.

Most notably, the new FICO scoring model will become more

sensitive to the percentage of available credit you are using. This is an issue of particular relevance, considering that many lenders are cutting consumers' credit limits as a means of staunching credit losses. This means that you should focus on keeping the portion of the credit limit you use low, even if you pay your balance in full every month.

Unfortunately, credit bureaus don't distinguish between balances you pay off every month and those you carry over from one month to the next. What gets reported to credit bureaus—and the information used to calculate your credit score—is typically the balance shown on your most recent monthly statement. If you're accustomed to charging a significant amount each month and flirting with your credit limit, even if you intend to pay your balance in full or if you're doing so to col-

lect credit card rewards, you may be negatively influencing your score.

Other changes to FICO's new scoring model will include those that relate to "authorized users." Authorized users are often young adults who gain access to credit through their parents' accounts or women who rely on their husbands' FICO scores. To control abusive practices by credit repair companies, it appears that FICO may not weigh the positive data of an authorized user as heavily as it once did. In other words, under FICO's new scoring system, it may take longer for an authorized user to build a positive credit history.

Not all of the changes to the FICO's new model will be negative, however. The new FICO will ignore collection accounts with original amounts of less than \$100, so consumers won't see their scores dip from things such as library fines and unpaid parking tickets. Also, significant credit issues, such as charge-offs and repossessions won't be weighed as heavily as they were under the old FICO model, assuming that all other active accounts are in good standing.

It can be tempting to get bogged down in the complexity of the credit scoring system, but a good place to start is by pulling a free copy of your credit report. While you won't get your credit score when you pull a free credit report, you can familiarize yourself with the type of information that is used to help determine your score. You'll see what accounts you have open, your current balance, and your history of repayment, among other things. You'll also be able to identify errors so that you can correct them and so that incorrect information isn't lowering your score.

To pull a free copy of your credit report, visit www.annualcreditreport.com. You can pull a free copy of your report from each of three national credit-reporting agencies once a year; if you stagger them throughout the year, you can see your credit report once every four months.

Once you have a handle on what's contained in your credit report, then you can go back and dispute potential errors or pull a copy of your report that includes your credit score. You'll pay a small fee to get your credit score, somewhere around \$5 to \$7.

This information is provided through your local Consumer Credit Counseling Service, located at 375 South 4th Street, Coos Bay, OR 97420, by permission of the American Center for Credit Education. CCCS/ACCE makes no representations or warranties with respect to the accuracy or completeness of the contents of this article and assumes no responsibility for errors, inaccuracies, omissions, or any inconsistency herein. You should consult a professional where appropriate. The material in this article is provided for personal, non-commercial, educational, and informational purposes only. For additional Consumer information or help in resolving financial issues contact Consumer Credit Counseling Service of Coos-Curry at (541) 267-7040 or (800) 248-7040 or visit our website at www.cccscoos.org.



15% off Any Repair or Service over \$75
Expires 11-1-09 KN

We Provide Factory Scheduled Maintenance

Free Multi-Point Inspection

We work on Cars, Trucks, SUVs & Motorhomes

Honest & Professional Service Always!

63075 Highway 101
Coos Bay, OR 97420

Call today: 541-269-0399
We work on all makes & models

OREGON IS OFFERING TAX AMNESTY
Unfiled Taxes? I Can Help!

- SMALL BUSINESS BOOKKEEPING •
- PERSONAL FINANCIAL TRAINING •
- TAX PREPARATION •

FINANCIAL SERVICES FOR SENIOR CITIZENS
(Write Checks, On-Line Payments, On-Time Bill Payment, Account Reconciliation)

- DOMESTIC EMPLOYEE PAYROLL SERVICE •
- MEDICAL INSURANCE PAYMENT TRACKING (For multiple Insurances Including Medicare)

Joyce Walter E.A./L.T.C.
Licensed Tax Consultant
Enrolled to practice before the IRS
Phone: (541) 756-3374
E-mail: jwalter.ea.ltc@verizon.net
"Satisfied customers are my best advertisement"

PO Box 631 North Bend, OR 97459

In general, the art of government consists of taking as much money as possible from one party of the citizens to give to the other. ~ Voltaire (1764)
"A government which robs Peter to pay Paul can always depend on the support of Paul." ~ George Bernard Shaw

Samme's LAUNDRY 347-9493
Samme Nuessle

- Washing
- Alterations
- Pressing
- Uniforms
- Table Cloths, Napkins
- Bedding

We Do Linens for Vacation Rentals, Motels, Bed & Breakfasts, Restaurants

9:00 - 3:00 Tuesday - Friday
890 June St. (corner of June & Hwy 101) Bandon, OR 97411

NOW CELEBRATING OUR 12TH YEAR IN BUSINESS!

INCONTINENT?
Disposable - Clothing Protectors
Adult Diapers - Bed Pads - Gloves - Skin Care Products

✓ OUT OUR GREAT PRICES!
HIGH NUTRITION DRINKS



- Boost - \$28.00
- Boost Plus - \$32.00
- Boost Diabetic (27 Cans Per Case) - \$32.00
- Carnation VHC, 560 Calories, Lactose Free, Gluten Free - \$40.00

All Prices Are Per 24 Container Case
Choice of Flavors - Chocolate, Vanilla or Strawberry
WE STILL DELIVER

WE HAVE NON-SKID SLIPPERS



Complete Line of Remedy Brand Professional Skin Care Products
Free Samples Available

RAINDANCE Health Care Products & Commercial Laundry
Serving from Reedsport to Brookings

888-9406 / 800-756-3073

FREE DELIVERY 350 LACLAIR ST., COOS BAY
WE WILL BILL MEDICAID FOR YOU!

"A CUT ABOVE THE REST!"
541-266-0259
LCB#8628 • BONDED • INSURED

SUNDANCE Landscape

- Pavers and Stonework
- Landscape Design
- Landscape Maintenance
- Retaining Walls
- Outdoor Lighting
- Water Features
- Outdoor Kitchens
- Irrigation Installation

www.sundance-landscape.com

UNGER'S BAY Fish-n-Chips

"Best Seafood on the Bay"

T Dock in Winchester Bay, Oregon
541-271-4955

Guy's Computers And Satellites
841 N. Central Blvd., Suite #3, Coquille, Or.
541-396-5139

GREAT COMPATIBLE INK AND TONER PRICES!
ALL FULLY GUARANTEED
WE CARRY INK CARTS FOR BROTHER, CANON, & EPSON

TONER

FOR:
BROTHER, CANON, HP, KYOCERA, LEXMARK, MINOLTA, OKIDATA, PANASONIC, SAMSUNG, & XEROX

1 FREE TONER CART WITH EVERY 6 PURCHASED!

A FEW EXAMPLES OF GREAT TONER PRICING:

HP: 92286A \$69.99	CANON: 333 \$64.99
Q2611X \$49.99	304 \$49.99
CF115X \$49.99	LS0 \$59.99
Q6311X \$59.99	E40 \$50.99
BROTHER: TN300 \$34.99	PANASONIC: KX-FA83E \$12.99
TN400 \$48.99	KX-FA76A \$19.99

WE BEAT STAPLES' AND WALMART PRICES
PLEASE CALL FOR CURRENT INK & TONER PRICES!

BUY - SELL - TRADE
Guitar Lessons & Repair Available

ORCOAST MUSIC

A Serious Guitar Shop And More!
By Far - The Largest Selection On The Coast & The Largest Selection Of Used Instruments In The Area
Layaway NOW For Christmas!

Complete New Inventory Of Fender Acoustic & Electric Guitars
Now Stocking a Wide Selection of KALA UKELELES

WE ARE A DEALER FOR:
*Marshall *Vox *Behringer *Ampeg
*Guild *Squire *Hagstrom *Fender
*Alvarez *U.S. Masters

www.orcoastmusic.com
787 NEWMARK, COOS BAY • 888-6805

SEEDS FROM THE SOWER
Michael A. Guido, D.D.
Metter, Georgia

A professor asked, "Who's happier - the man with six million dollars or the man with six children?"

"The man with six children," answered a student.

"Why?" asked the professor.

"The man with the six million dollars always wants more," said the student.

Happiness doesn't depend on possessions or pleasures, but a Person - God. If you're right with Him, nothing else matters.

When you're right with God, you'll bless Him for what you have and trust Him for what you need.

Contentment comes when you realize that what God chooses is far better than what you choose.

The Bible says, "Godliness with contentment is great gain."