

Act 2 | **Stones and Hope** {Audio Episode Transcript}

Andy: Hi everyone, this is Andy Janning, here with the story of Klara, our first credit union member featured in Side Effects. Her narrative found its way to me because my wife posted on a breast cancer Facebook group, asking if anyone had been meaningfully helped by their bank or credit union during or after cancer treatment. Klara's two-sentence reply hinted at a credit union response that, almost a decade later, continues to transform her financial and physical well-being. Enjoy.

Andy: Physicians call it the Doorknob Phenomenon. It's when a patient waits until the end of his appointment to disclose a previously unreported mental or physical issue, just as the physician grabs the exam room doorknob and prepares to leave.

A patient's reasons for waiting until the last minute of an appointment are complex and personal. The physician's response in that moment can have profound consequences for the patient.

For Klara, it saved her life.

Andy: It's 2007 and Klara is a young mother of two babies. It's a stressful, exhausting season; both of her children are still in diapers and she's in nursing school, months away from graduating and beginning the next chapter of life.

Hard as it is, this is the full and meaningful life Klara and her husband Nate had dreamt of since they first met. He was tending bar 7 years ago when Klara walked in. When they saw each other,

Klara: It was immediate sparks on both sides both of us, and by the end of the night, he asked for my phone number. He said he would call me the next day and he did. That was a Friday; our first date was on a Thursday. It'll be 20 years in November. I tell him at he got me drunk, and now he's regretting it {laughs}...got me drunk, asked for my phone number and here we are {laughs}.

Andy: Her laugh echoes through the house that, by the standards of our industry, she and her husband have no business owning.

We'll get to that. Let's return to July 2007.

It's been two weeks since Klara weaned their 14-month old daughter Elizabeth. Klara is adjusting to the physical and emotional aches that come with the end of breastfeeding. That's when Nate feels a lump in Klara's right breast. She dismisses it at first.

Klara: Should that be there? Well, yeah, it's just a clogged duct. I just weaned her and I'm still full of milk.

Andy: She strikes a compromise - she already has a doctor's appointment coming up and she'll ask about it then. She almost doesn't.

Klara: So at the last minute in my doctor's appointment, I said, 'hey, you wanna feel this?' I almost didn't.

Andy: She has her reasons for waiting until the last minute; 27 years old at the time, no family history of breast cancer, she's just weaned her baby. No way this is anything serious. The doctor feels it, agrees with her that it's nothing more than a clogged duct. Probably.

Klara: But, come back in a month...I wanna see what happens.

Andy: To everyone's shock, the lump has grown significantly.

Klara: It was about a centimeter a month it grew, to the fact that it was almost 5 centimeters.

Andy: More tests: ultrasound, mammogram, biopsy. All of them confirm the worst.

The lump she thought was nothing, the lump that grew 7 years after she walked into bar on a girls night out that she almost skipped, and laid eyes on the man who'd become the love of her life, the lump he found was breast cancer.

Surgeons amputate her right breast immediately. That stops the cancer but can't kill it. The chemo is supposed to do that, but nearly kills her instead.

Klara: In fact, my oncologist told my mom to expect the worst, to make plans - that chemo was going to succeed where the cancer had tried.

Andy: An emergency infusion of hemoglobin saves her life. Keep in mind that Klara is still in nursing school all this time.

Klara: In fact, I went to nursing school clinicals in the hospital with a drainage tube still in because of my mastectomy. I was actually sicker than the people I was taking care of on the floor because they were discharged

Andy: She misses only two days of school during treatments, and graduates with honors. She's going to need every bit of that bravery, focus, and grit because she and Nate are about to lose everything. They just don't know it yet.

Andy: Even though Klara's insurance is good,

Klara: Financially, it hit. Every surgery and hospitalization costs \$300-\$600 out of pocket.

Andy: She'll have a slew of them because her body, still recovering from cancer and chemo, is rocked by an ongoing and painful assault of health challenges that keep her from working a steady job.

Klara: My husband worked hourly. He was an assistant grocery manager. He ate up his vacation through everything very quickly. So, loss of income there. When you're robbing Paul to pay Peter, that adds up.

Andy: They struggle to make ends meet for five years, working when and where they can, but what they make can't match what they have to spend to keep Klara healthy and the bill collectors off their back.

Klara: I was working, but I had to stop because you can't work in urgent care where everyone's coming in and coughing in your face when you're on chemotherapy.

Andy: By early 2012, they're living almost entirely on credit cards.

Klara: You start having to use credit cards to just get your basic necessities.

Andy: We're not talking about funding massive shopping sprees and elaborate vacations through Visa and Mastercard. This is swiping a credit card at the grocery store and praying there's enough available so you don't have to flee the checkout line in shame and leave your family's food on the conveyor belt, because your card was declined and you've no other way to pay.

Klara: You add the fact that we were a young family with two kids in diapers, and that adds to it big time. We just couldn't do it. We were using cards to pay mortgage, to do the necessities, and it got to be so much, and we couldn't do it and decided to file for bankruptcy.

Andy: Klara remembers, the stress and embarrassment plain to hear, old pains that still know their way to the surface.

On paper, authorizing the complete self-destruction of their financial lives makes sense.

Klara: We had \$50,000 in credit card debt.

Andy: It's estimated that they're spending over \$1,200 a month just to make the monthly minimum payments. If they continued with paying just the minimums, and if they stopped using the cards (which they can't), it'll take over 30 years to pay the cards off and they'll have shelled out over \$130,000.

Klara: Our lawyer, when we went to go talk to him, said that we are the reason there's bankruptcy laws. I mean, he and his assistant teared up, basically, when they found out.

Andy: The bankruptcy will remove their credit card debt, yes, but it will also force the foreclosure of their first home together, the place they wanted to raise their kids.

Klara: Deciding to let the house go...that was the lowest point - having to decide to do that. Nobody wants to; you know, nobody goes into this life, especially in their early 30's (I was 31) "you know, yeah, let's file for bankruptcy, yay we won't have any debt - yeah, great!" Nobody does that.

Andy: Klara and Nate are devastated. So are their finances. These aren't the choices they wanted to make together. This isn't the life they dreamed of. This "fresh start" feels like a guilty verdict on their competency, wisdom, and worth.

They hoped that, one day, that first home would help them eventually own a dream home in Klara's picturesque home town of Glidden, a small community in the Wisconsin northwoods. But that's a fantasy; foreclosure and bankruptcy are mortal sins for banks and credit unions.

Klara: I knew that, after bankruptcy, everybody says 7 years; don't do anything within 7 years because you're not going to get it. If you can, try...but it's probably not going to happen. In fact, I have family members that are loan officers at banks in major cities and said they can't help me out. They wanted to, of course, but their hands are tied because they're in big banks.

Andy: By the end of 2012, Klara and Nate and their kids are living in a rental home, their credit destroyed and lives twisted inside out. Once more, they're enduring the hardest parts of their marriage vows. They're learning why sickness and health and richer and poorer are writ large in the promise that bound them together - because money and health are themselves bound, intimately and inseparably.

Their first home is long gone and they're far from where they both want to be - in Glidden, in a place they know and are known, a place they love and are loved, a place that's far more than home. It isn't too much to say that Glidden is where Klara knows she can heal.

That's the power of home, a power Klara knows in her bones. Home is where you're known for who you are, not for the disease that you have. Home is where she can relax and breathe amid the trees and under the skies where she ran and played as a little girl, before the cancer and chemo and scars and bankruptcy punished her too young and too soon.

So when she sees the listing for the humble fixer-upper at the end of a dead-end road, tucked between a huge front yard and acres of dense Wisconsin forest in Glidden, her hopes soar.

Klara: My husband said 'maybe we should look at that.' We knew it needed a lot of work. We knew it was a foreclosure and had been sitting empty, and you could tell how dirty it was, and everything that needed to be done: new roof and we knew it needed new septic, and lots and lots of work done.

Andy: She can see her kids playing in that yard, exploring that forest, Nate working with quiet diligence on the house...until she realizes how foolish she'll appear on any mortgage application.

Klara: With our bankruptcy and foreclosure, there is no way we're gonna get any money for a house, let alone to fix it up.

Andy: She prepares herself for more disappointment, steels herself for the realization that she can't truly heal physically until she heals financially, and that's a rehab no lender is willing to risk. But Miranda...

Miranda: Miranda Wachowski, I'm a loan officer here at Northwoods Community Credit Union.

Andy: ...has other ideas.

Andy: Miranda Wachowski didn't plan on working for a credit union. She'd originally studied accounting at a technical college in Appleton, Wisconsin but discovered, to her chagrin,

Miranda: ...after about one year, I decided that numbers weren't exactly for me because I started working at a credit union down there.

Andy: Working on the teller line, opening new accounts, and auditing loans showed her how much she enjoyed the human side of banking.

Miranda: I decided I wanted to move into the banking and financial services program at the Tech. I graduated from there, always knowing that I was going to be moving back home, moving back north. I started here at the credit union in 2001, always knowing that I wanted to be a loan officer. In 2004, I became a loan officer, so I've been doing that since.

Andy: Northwoods was originally known as Flambeau Paper Employees Credit Union, founded in 1953 when co-workers combined their savings and used that pool of money to make loans to neighbors and colleagues who, according to the Northwoods CU [website](#), *had no where else to turn...they were able to work together and leverage money from each other in a way that helped each person achieve financial stability in difficult economic times."*

That mission is the bright star around which Northwoods still spins today. If two people ever personified it, they would be Klara and Nate. What's more,

Miranda: I've known Klara since I was little. I knew that she had cancer. I knew of that.

Andy: So when Miranda got the call from Klara in April of 2013 to ask about the house that Northwoods had listed for sale on their site, Miranda knew this was an opportunity to look beyond the numbers and really see the member.

Miranda: I think that, what struck me as the go-to was their drive. I knew they really wanted this. They really needed a home for their family. I specifically remember her saying that when she was going through her treatments and going through what she was going through, she knew she needed to be home. Home happened to be up north. I knew that her plan was to stay here. I think that part of that, being from up here, it's always humbling to see when people come back home...kinda like I did, I guess {laughs}.

Andy: The only reason that Klara was calling in the first place was because Nate encouraged her to do so.

Klara: My husband was more optimistic.

Andy: She thought this would be a monumental waste of time to even attempt a mortgage less than a year after bankruptcy and foreclosure.

Klara: ...and he said 'why don't we give it a shot' and I said ok. We called the credit union, because that's who owned it, and talked to Miranda.

Miranda: When I interviewed them, obviously they told me their story and what had happened.

Andy: And you can imagine her shock when Miranda, after listening carefully to Klara's difficult physical and financial journey, actually took her seriously.

Miranda: I think I did ask for was a letter of explanation. That's something we'd ask for from an applicant. We may ask them to explain what happened.

Andy: Which she did.

Klara (reading letter):

To whom it may concern at Northwoods Community Credit Union:

In 2007, I was diagnosed with breast cancer. At the time of diagnosis, I was in nursing school and our two children were toddlers. My husband Nathan had to give up a part-time job and also take unpaid time off from his full-time job to take me to appointments and/or care for our children.

Due to these circumstances, we started to fall behind on our mortgage and other debts. After recovery and graduation, I found a full-time nursing job. However, due to complications from surgeries and chemotherapy, I was put on restrictions which did not allow me to function in the field of nursing in which I was employed. I was unable to find a local nursing job, thus we had to relocate to our present location.

After relocating, we had both a mortgage payment and rent. Still owning our previous home and still being behind on our bills, put us in financial distress that led to our foreclosure and bankruptcy.

We have been current on all our financial obligations that were not discharged with the bankruptcy. In fact, we are currently ahead 2 months on our car payment. Lastly, I have been at my present job for nearly 4 years with consistent raises in pay and increasing responsibilities and Nathan is pursuing a more stable career by going back to college.

Andy: The letter was a leap of faith, faith that became sight when Northwoods came back a few weeks later with the good news - she and Nate were approved for a mortgage, with additional funds to fix up the home and surrounding property. Thinking back on that moment now, nearly 8 years later, Klara's joy is incandescent.

Klara: Ah...the feeling to know...when she said 'yes' ...ahhh...I still...it's still amazing that I'm back living in Glidden. To have that joy, it just fills your heart. Emotions definitely do have an impact on physical health - you know, those endorphins when I do pull into town, when I pull into my driveway and I can say, 'Oh, there's my house. It's not the biggest house, but it's our house, and it's in Glidden, and that's amazing.

Andy: As Klara shows me around her property, she's proud of what they've been able to do. She's at ease, grateful for the life she's been able to re-start after years of fear, frustration, and dread.

Life's next chapters lie ahead - chief among them nurturing and guiding their kids through high school and college - but she's unfazed by their complexities and uncertainties. Life has already hurled its worst at her and here she still stands, arms around Nate, in the town of her dreams, unquestionably, unshakeably, home.

Klara: The work that Miranda put in...they truly went above and beyond. To be able to look at our situation as a whole and not just a number was so vital.

Miranda: Lending isn't just numbers. That's why I got into it {laughs}. Lending is very gray and it's not about a credit score. It's about the situation. It's about people. It's about character and their drive to really want this, and making sure that it makes sense for them.

Andy: This is the power of listening, seeing, and knowing in action; when an institution doesn't act like an institution, but rather like a collection of real people determined to do right by other real people.

Klara: To have the closure on our bankruptcy, and have that behind us to where we could buy a house and buy things through the credit union...emotionally, you can't even describe it. And again, huge huge for healing from my cancer diagnosis and the guilt and the anger, too, at the diagnosis for causing all of the "in poorer" part of our wedding vows {laughs}. At least we got it out of the way {laughs}.

Andy: It's the power of a credit union remembering why they were created in the first place: to be the place where members can go when they have no other place to go.

It's the simple acknowledgement of what research has already made clear: that much of what determines the health of an individual, family, and community relates not only to personal behaviors but also to the conditions where people are born, live, work, and play.

This isn't license to throw money - our member's money - irresponsibly at every hardship, but to temper sound judgement with compassion, to love people and use money, and not the other way around.

Ours is the business of hope. Members hope for a brighter financial future, and hope we can help them achieve it. Members hope for a roof under which they can lay their head and dream of brighter days, and hope that we can guide them home.

Klara and Nate have hope because a credit union had hope in them, and for them, because a credit union saw the connection between physical and financial well-being.

There are untold millions of members who still need that same hope. May we not close the door on them.

This audio episode was written and produced by me, [Andy Janning](#). Music by [Epidemic Sound](#).

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