

Report Card

FALL 2022

Help Your Teens
Become Savers

6 Year-End
Financial Moves



“They know what’s going on in my life and help make managing my money painless.”

HEATHER S.
HIGH SCHOOL TEACHER
MEMBER SINCE 1999

CEO's MESSAGE



"The secret of getting ahead is getting started. The secret to getting started is breaking your complex overwhelming tasks into small manageable tasks and then starting on the first one."

Mark Twain

When working toward your financial goals, making small, deliberate changes in your life can really make a difference. That's why we're here to partner with you on your path toward lasting financial well-being. Whether you want to buy a home, plan for the future or tackle debt, we offer solutions and advice to help you make informed decisions about how to save and spend your money.

Solutions to Help Pay Your Bills

We understand for many, coping with rising prices and juggling multiple financial priorities has been difficult. If you're struggling to pay your everyday expenses and your monthly bills, including SchoolsFirst FCU loans, we're here to help. Give one of our team members a call to discuss your circumstances. And if you need one-on-one coaching, our partners at GreenPath Financial Wellness will help you develop a spending plan, pay off debt and work toward other short- and long-term goals. Visit our advice tab on our website to take advantage of all our advice offerings.

Advice for Now and the Future

In this issue, we share year-end tips to help you make important money moves and start 2023 on the right foot. We also discuss how to help your teenagers become savers so they, too, can work toward their financial goals. Setting them up for success will help them make confident decisions about the future.

Even though this year has had its share of ups and downs, your Credit Union remains financially strong, thanks to your loyalty and sharing the benefits of Membership with your family and friends. We are committed to helping you achieve your hopes and dreams. Together, we can make it happen.

As we move into the holiday season, I hope you enjoy spending time with loved ones. We appreciate you being part of the SchoolsFirst FCU family.

Best Regards,

Bill Cheney | CHIEF EXECUTIVE OFFICER



REAL MEMBER, REAL SAVINGS

Growing up, Heather watched her mother teaching in the classroom and decided to follow the same career path.

As a high school English teacher, Heather says the most rewarding part of her work is building relationships with her students. She lets them know she is there for them, both academically and personally, no matter what's going on in their lives.

Heather opened her Membership within her first week of teaching, taking advantage of benefits like direct deposit and the Summer Saver. She and her husband visit their local branch in Folsom often, getting to know the team members who assist them with all their transactions.

When Heather and her husband preordered a car, the team took the time to approve them for their auto loan and ensure they had everything they needed to pick up their car when it was ready.⁵



"I love walking in to my local branch because I feel like I'm part of the family. I enjoy the customer service and personal attention I receive," Heather said of the Folsom branch. "The team is accessible. They know what's going on in my life and help make managing my money painless."

HEATHER S.

HIGH SCHOOL TEACHER | MEMBER SINCE 1999



Navigating Rising Interest Rates

Interest rates were at historic lows for years, making it a great time to borrow money. However, in an effort to slow inflation, the Federal Reserve has raised rates three times so far this year.

Read about how interest rates affect saving, borrowing and investing. Visit extracredit.schoolsfirstfcu.org and search Interest Rates.



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TEACH YOUR TEENS TO SAVE

According to a recent survey, 73% of American teens said they'd like to know more about personal finances.¹ And while many said they get money tips through a variety of sources — parents, school, social media — 75% didn't feel confident about that knowledge.

As a parent, you may feel the same way at times, trying to manage your money during the pandemic and now amid inflation. But helping your kids become savers is one of the best gifts you can give them. It's the foundation for lasting financial well-being.

Here are some ways to help them start now and keep saving.



Open a Checking and Savings Account

Once your teen starts earning money, open a savings account so they can learn to spend and save. If they get a job, also open a checking account. If your teen is younger than 18, you'll have to co-own the account. This can help you track their spending habits and avoid account overdrafts. You may want to encourage them by matching their savings for a set time period.



Set Them Up for Success

Showing them how to save and spend demystifies money concepts. When they start earning a paycheck, help them write a budget, put money into savings and set goals. For instance if they're tech-savvy, they might like a secure budgeting app to track their spending in real time. They can also watch their savings grow as they save for specific goals.



Share the 10% Rule

It's one of the most straightforward rules of thumb around: Pay yourself first. If your teen takes 10% of their income and sets up automatic transfers to an account separate from their checking or regular savings, it's money they won't miss now, but they'll reap the benefits later. They can use it for emergencies or eventually for bigger goals, like buying a car.



Consider a Starter Credit Card

When your teen turns 18, they may be eligible for a credit card and might want one. Discuss how borrowing and credit scores work before that time comes. If your young adult is not that great with money yet but still wants a card, consider a "starter" credit card. Your teen deposits an amount, such as \$500, into a dedicated savings account. This money establishes their credit limit. Then they simply borrow from that set amount. Paying bills on time and paying the balance off each month will help them build a credit history.



Discuss Paying for College

If your teen wants to pursue higher education, talk about saving and paying for college early and help them create a plan. On average, college tuition costs from \$10,740 to \$38,070 annually.² Together, discuss how to pay for these expenses. If you have set up a college savings for your child, encourage them to contribute. Your teen can reduce overall costs by attending community college, and getting grants and scholarships. Exploring these ideas will help them as they navigate their next steps.

California Middle Class Tax Refund

The Middle Class Tax Refund is a one-time payment to provide relief to Californians. To receive your payment, you must have filed a complete 2020 tax return by Oct. 15, 2021.

If you are eligible, you will automatically receive a payment, which will be issued between October 2022 and January 2023. To learn more, visit the California Franchise Tax Board website.

Student Loan Debt Forgiveness

If you have federal student loans, you may qualify for up to \$20,000 of federal student loan debt forgiveness if you're a Pell Grant recipient, or up to \$10,000 if you meet other guidelines.

Sign up with the Department of Education at www.ed.gov/subscriptions to be notified when you can apply.

Online Financial And Real Estate Workshops

Please visit schoolsfirstfcu.org/workshops to learn more and register.

Homebuying Essentials

6 – 7 p.m. on:

OCT. 5, 12, 19, 26

NOV. 2, 9, 16

SIX YEAR-END MONEY MOVES

SET YOURSELF UP FOR SUCCESS IN 2023

1 BUDGET BEFORE THE HOLIDAYS

Look at your spending habits and see where you can make improvements. Establish a budget for the winter holidays. According to the National Retail Federation, the amount Americans spent on gifts and other holiday items last year exceeded its forecast of \$997.73. One financial rule of thumb is to spend no more than 1% of your overall income. Therefore, if your salary is \$55,000, your holiday budget would be \$550. If you plan on spending more, figure out where you'll get those extra funds.

2 GET AN INSURANCE REVIEW

An annual insurance review will help you identify savings opportunities and determine if your coverage meets your current needs and budget. For instance, SchoolsFirst Insurance Services works directly with top insurers and will do the shopping for you — gathering quotes, coverage options and discounts to find the policy and price that's right for you.³

3 PAY DOWN HIGH-INTEREST DEBT

If you've been using credit cards more than usual, create a plan to pay off the balances. One method is to pay off the credit card with the highest interest rate first. Once that's paid off, roll that payment into your next debt obligation. You might also consider getting a personal loan with a competitive interest rate to consolidate debt. With a fixed payment and term, you'll know exactly when it's paid off.

Get Solutions From Your Credit Union

We offer a variety of advice sources, including our Extra Credit Blog, and financial and real estate workshops. If you have questions about how to manage your loans and accounts at SchoolsFirst FCU or are interested in new products, please call one of our team members for guidance.

We're Here For You

Visit Us Online
schoolsfirstfcu.org

Call Us
(800) 462-8328 | Monday – Friday, 7 a.m. – 7 p.m. | Saturday, 9 a.m. – 3 p.m.

Emergency After-Hours Card Support
Available 365 days a year from 5 a.m. to 10 p.m.

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ATM Locations
Visit our website or Mobile Banking app for a complete listing of more than 28,000 fee-free ATMs.

Branch Locations
Visit schoolsfirstfcu.org/branches to find a branch or ATM near you.

Holiday Notice

In observance of these holidays, our Branches, In-Store Branches, Service Centers and Member Contact Center will be closed.

Friday, Nov. 11 Veterans Day
Thursday, Nov. 24 Thanksgiving Day
Friday, Nov. 25 Day After Thanksgiving
Saturday, Dec. 24 Full service branches close at noon. In-store branches and Member Contact Center close at 1 p.m.
Monday, Dec. 26 Christmas Day (Observed)
Sunday, Jan. 1 New Year's Day

Get Social With Us!



Join our communities and be among the first to learn about new products, services, video workshops and special promotions. Plus, share your story with us; we would love to hear from you!



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Please recycle.

