

# Report Card

SPRING 2023

How To Save And Spend  
During Inflation

Make Homeownership  
A Reality



“My loan consultant walked me through the whole process and helped me find the best home loan for my financial situation.”

**ARNOLD R.**  
OCCUPATIONAL THERAPIST  
MEMBER SINCE 2021

# CEO'S MESSAGE



Despite easing inflation, consumer confidence remains shaky. Americans are still struggling with the cost of everyday goods, clamping down on spending and more than half – 56% of households – resolve to save more money this year. And that's a good thing. Even in challenging times, establishing financial rules of thumb can help you weather life's storms.

## We Are Here For You. Know Your Money Is Secure

As your trusted advisor, the Credit Union is here to help you. For nearly 90 years, we've focused on exclusively helping school employees and their families attain financial well-being, while providing you with extraordinary service at all times. Your money is safe and insured, and SchoolsFirst FCU remains financially strong thanks to your continued advocacy.

## Getting Through This Challenging Year

If you'd like to cut costs and boost your savings, this issue of Report Card highlights straightforward ways to do that. Updating your budget, finding ways to cut back and earning higher rates on savings are just a few solutions. For instance, our Share Certificates provide a low-risk way to capture a higher rate of return. And we offer refinancing options for your home or car, which could save you hundreds of dollars a month.

Take advantage of our team who can help you with the financial goals you are trying to achieve. Discuss them with us and we can tailor solutions to fit your needs.

## Working Toward Homeownership

Although California home prices were at record highs last year, market watchers are predicting prices to drop by 7% in 2023. If you've been putting your homebuying dream on hold, this issue highlights how we can help make finding and financing your new home simple and affordable. As always, it takes just a phone call to one of our expert loan consultants who will answer your questions and help you start your homebuying journey.

## Share The Benefits of Membership

We also want to encourage you to invite your family to join the Credit Union so they too can benefit from the products and services that help you achieve financial well-being. Tell them they're eligible to join the Credit Union you love. It's easy — they can join online, no need to visit a branch. We hope you – and they – take advantage of all we have to offer to improve your financial life.

Thank you for your ongoing support. It's a privilege to serve you.

Best Regards,

**Bill Cheney** | CHIEF EXECUTIVE OFFICER

## REAL MEMBER, REAL SAVINGS



For Arnold, switching careers from finance to education was simply the right choice. He discovered his true passion while working as a teacher's aide in special education, so he went back to school to earn a master's degree in occupational therapy. He's now a school-based occupational therapist for the Santa Ana Unified School District. "The most rewarding part of my job is seeing the children improve and succeed because of the therapies they receive," he says.

Arnold joined the Credit Union in 2021, after hearing about our great rates, products and services. And like many Members, he dreamed of becoming a homeowner, but just didn't know where to start, or if it was even a possibility.

So he simply picked up the phone and connected with Renee, a SchoolsFirst FCU real estate consultant. He admitted to her he knew nothing about the process but wanted to know everything. Renee was happy to help. "Arnold really didn't think purchasing a home was within his reach," Renee says. "I kept reassuring him that we would make it work – that he was going to buy his first house."

After running the numbers, Arnold realized he could and would own his first home.

**“The level of support I received from SchoolsFirst FCU was fantastic. My loan consultant walked me through the whole process and helped me find the best home loan for my financial situation.”**

**ARNOLD R.** | MEMBER SINCE 2021



## Homebuying Solutions

We offer affordable solutions to help you buy or refinance a home.<sup>1</sup>

To learn more, visit [schoolsfirstfcu.org/homeloans](https://schoolsfirstfcu.org/homeloans).

1. All loans subject to approval. 2. Limitations apply. Please contact a home loan consultant for details. 3. Principal and interest payments are fixed. Other costs such as property taxes and homeowners insurance may increase over the life of the loan. 4. Available for all primary residence loan types including School Employee Mortgage Program and SchoolsFirst FCU HomeAccess<sup>SM</sup>. Application must be dated no later than 12/31/23. Fully executed purchase contract on an identified property must be submitted no later than 12/31/23. Does not apply to equity loans or first mortgage refinances. The amount of the processing fee waived is \$550 for School Employee Mortgage Program and \$995 for all others. 5. Rebate payment is made by First Team Real Estate or HomeSmart Evergreen Realty. Rebate is credited to your benefit at the close of transaction. Commission will vary. To be eligible for the 20% rebate, Member must complete the transaction with the agent assigned by SchoolsFirst FCU Home360<sup>SM</sup>. Using SchoolsFirst FCU for a mortgage loan is not a requirement to earn the rebate. Purchase price must be greater than \$150,000 after all credit adjustments. All rebates are subject to limitations, lender guidelines and other requirements. Certain properties may not be eligible for rebates. Rebate is 20% for purchase only of a residential property in California. Please consult a qualified tax professional for advice on tax implications from receiving a rebate.



# HOW TO SAVE & SPEND DURING INFLATION

During inflationary times, the value of money decreases, affecting your buying power. At the same time, the Federal Reserve raises rates to keep inflation in check, making it more expensive to borrow. If higher interest rates and inflation have put a strain on your finances, here are some ways to manage spending and debt, and boost your savings.

## Use A Simple Budgeting Strategy

There are many ways to tackle your spending. One simple formula to try is the 50/30/20 budgeting rule. Just divide your take-home pay into three categories: earmark 50% for necessities – like housing, food and transportation – 30% for wants and 20% for savings.

## Pay Down High-Interest Debt

1. Write down all your debts.
2. Consider financial counseling from our partner, GreenPath Financial Wellness.
3. Pay off as much as you can on the smallest amount first. Pay the minimums on the other debts.
4. Once that first debt is gone, roll that payment over to the next smallest debt, while paying the minimum amount on your other debts.
5. Repeat the process until your debt is gone.

## Transfer High-Interest Credit Card Balances

The average interest rate on credit cards is 23.55%.\* High interest rates can put a strain on your finances, especially if you're carrying balances. Consider transferring your debts to a credit card with a promotional 0% interest rate and no balance transfer fees. As an alternative, you may want to consider a low-interest rate personal loan.<sup>1</sup>

## Refinance Student Loans

Like credit cards, private student loans typically have variable rates that increase as the Fed raises rates. Eligible borrowers should consider refinancing this debt to save money each month.

If you have a federal loan and are struggling to make payments, read **Understanding Student Loan Forgiveness** on our financial education blog, Extra Credit, to see if you qualify for loan forgiveness.

## Homebuying Essentials

\*Source: Lending Tree

### VIRTUAL WORKSHOPS

6 – 7 p.m. on:

April 5, 12, 19, 26  
May 3, 10, 17, 24, 31  
June 7, 14, 21, 28

### IN-PERSON

6 – 7 p.m. on:

April 6 **Moreno Valley**  
April 11 **La Habra**  
April 13 **Tustin**  
April 20 **Santa Ana**  
April 25 **Riverside-Riverwalk**  
May 4 **Torrance**

May 9 **Yuba City**  
May 11 **Sac-Fruitridge, Laguna Niguel**  
May 20 **Lancaster**  
May 25 **Huntington Beach**  
May 30 **Cerritos**

### IN-PERSON

10 – 11 a.m. on:

June 8 **Orange**  
June 13 **Redlands**  
June 15 **Chino Valley**  
June 22 **Anaheim**  
June 29 **Fountain Valley**

TO LEARN MORE, VISIT [SCHOOLSFIRSTFCU.ORG/WORKSHOPS](https://schoolsfirstfcu.org/workshops).

## 89TH ANNUAL MEETING OF THE MEMBERSHIP

May 16, 2023, at 5:30 p.m. PST

The Annual Meeting of the Membership will include highlights of the past year and insights for the year ahead. Results of the vote for nominees to the Board of Directors election will be announced.

The 2023 Annual Meeting of the Membership will be held in person, in Tustin, Calif., with an option to attend virtually. If you plan

to attend, please RSVP by calling (800) 462-8328, ext. 2028040, Monday – Friday, 8 a.m. – 5 p.m. PST. Please note, RSVPs must be received by close of business on Monday, May 8, 2023.

No other business is expected to be presented at the meeting. Learn more at [schoolsfirstfcu.org/annualmeeting](https://schoolsfirstfcu.org/annualmeeting).



# MAKING HOMEOWNERSHIP A REALITY

If you dream of buying a home but don't know where to start, your Credit Union is here to help by offering solutions that put homeownership within reach.



## 1 Get Guidance Every Step Of The Way With SchoolsFirst FCU Home360<sup>SM</sup>

Our program makes finding and financing your dream home simple and affordable. Your personal real estate loan consultant will discuss loan options to fit your budget. A participating real estate agent will help you find a home you can afford and negotiate a great deal.

## 2 Competitive Home Loans

When exploring your home loan options, we provide the support you need to make an informed decision. And if you decide to get a home loan with us, you could save money with a competitive rate, no private mortgage insurance, or PMI, and all Home360 discounts, including a 20% rebate on your real estate agent's commission and reduced listing fee if you sell your home.

## 3 A Loan Just For School Employees

**Our School Employee Mortgage<sup>2</sup> features lots of savings:**

- A low down payment – as low as 5%.
- No Private Mortgage Insurance (PMI), saving you hundreds of dollars on your monthly payment.
- A fixed term, with predictable payments for the life of the loan.<sup>3</sup>
- No processing fee through Dec. 31, 2023, for a savings of \$550.<sup>4</sup>

## 4 We'll Help You Save For A Down Payment, Too

My Home Savings is an account dedicated to saving for your home's down payment. You'll earn more dividends than a typical savings account and you can save up to \$50,000.

## 5 Financial Advice You Can Count On

Our homebuying experts understand all that goes into purchasing your first home. That's why we offer financial guidance designed to help you make confident decisions, including blogs, in-person and virtual workshops, and more.

## 6 Home Financing Solutions

With interest rates rising, we offer affordable solutions to help you buy or refinance a home. Visit our financial education blog, Extra Credit, and read **Find the Best Home Loan for You** and **Why an FHA Loan Makes Qualifying for a Home Loan Easier**.

### Adjustable Rate Mortgages

In a rising rate environment, an Adjustable Rate Mortgage or ARM's rates are typically lower than a fixed rate mortgage, offering lower monthly payments for five, seven or 10 years and adjust thereafter.

### FHA Home Loans

An FHA loan, insured by the federal government, allows for those with lower credit scores to qualify and the ability to use gifted funds for a down payment.<sup>2</sup> A large down payment is unnecessary because an FHA loan allows a consumer to purchase a home with as little as 3.5% down.

**TO LEARN MORE, VISIT  
SCHOOLSFIRSTFCU.ORG/HOMELOANS.**

## We're Here For You

### Go Online

[schoolsfirstfcu.org](https://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.

### TellerPhone

(800) 540-4546

### Download Mobile Banking

Available in the App Store and Google Play.



### 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](https://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.

**Monday, May 29**  
**Monday, June 19**

Memorial Day  
Juneteenth

### 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!



Insured by NCUA.