Report Card
WINTER 2020

Smart Ways To Save For Your Future
Money Tips For All Ages
Pay Off Debt Now
Buying A Home? Get The Right Loan

“You always provide such patient, personal service, and you really get us educators!”

ANGELA M.
MEMBER SINCE 1981
Pay Yourself First
No matter your age, start investing in a retirement account now. Many employers offer retirement plans such as a 401(k). Often with 401(k) plans, the employer will match your contributions, typically between 2% to 8%. For example, if your employer provides a 6% match, and you contribute the same, an amount equal to 12% of your gross pay will go toward your retirement savings. That can really add up over time. In addition, that 6% match is free money, but you can only take advantage of it by making your own contributions.

Because your contributions are taken out of your paycheck before taxes, you’ll reduce your overall taxable income. You won’t pay taxes on the contributions until you start making withdrawals when you reach retirement age.2

For School Employees
If you are a school employee, you’re fortunate to be able to save for retirement with a CalSTRS or CalPERS pension plan. Although these are great ways to build savings automatically, you may need to supplement your plan with additional savings to maintain your standard of living when you stop working. You can do this with tax-advantaged retirement plans, such as a 403(b), Roth 403(b) or 457(b), offered by your school district. These plans are similar to 401(k) plans. Our team of retirement plan advisors2 can discuss your situation with you and explore your retirement savings options.

Starting Young Matters
Of course, when you’re beginning your career, you may not have a lot to put toward your retirement plan. But by contributing a set amount every month, you deploy a strategy called dollar-cost averaging. This means you’re automatically set up to buy more investment shares when prices are lower and fewer when prices are higher. Remember that dollar-cost averaging won’t assure a profit or guard against loss in declining markets. However, retirement is a long-term goal, and that allows for potential recovery time for your investments, should the market take a dip.

How Much Should You Contribute?
Starting in 2020, you can contribute up to $19,500 a year to your 401(k), 403(b) or 457(b), or $26,000 if you’re 50 or older. Some 403(b) plans offer an additional perk — you can contribute up to $3,000 per year for five years if you’ve been with the same employer for more than 15 years.

If you don’t have an employer-sponsored retirement plan, consider opening another tax-advantaged plan, like a traditional or Roth IRA. The 2020 annual contribution amount is $6,000, or $7,000 if you’re 50 or older. These accounts can also be set up for automatic contributions. Income limits may affect your maximum income deduction and/or contribution amounts.

Bump Up Your Contributions, Even Just A Little
Increasing your contributions over time as your income grows will help boost your savings. Saving even 1% more can be significant over the long term. If you earn $50,000 a year, that contribution bump equals less than $42 a month. So if you earn 6% annual returns on your investments, that extra 1% could add up to $59,838, assuming 12 pay periods, after 35 years. The goal is to eventually contribute at least 10% to your plan.

Take The Saver’s Credit
If you are a low- to moderate-income taxpayer, Uncle Sam offers a special credit if you’re saving for retirement. To qualify, you must be at least 18, and you can’t be a full-time student or claimed as a dependent on someone else’s tax return. Also, for 2020, your adjusted gross income cannot exceed $65,000 for a married couple filing jointly, $48,750 for a head of household or $32,500 for all other taxpayers. The credit is worth up to $1,000, or $2,000 if you are married filing jointly.

Get Financial Advice
We have retirement plan advisors2 who work exclusively with school employees to assist with their district retirement plans — 403(b) and 457(b) — and financial advisors2 who can assist Members with IRAs. Both provide complimentary one-on-one advice to SchoolsFirst FCU Members, and can help find creative financial strategies tailored to your specific needs. They could help you maximize your savings and create a retirement strategy.

Visit schoolsfirstfcu.org/advisors to learn more.

Real Estate Workshops
Get expert advice about buying, selling or using the equity in your home to your advantage.

HOMEBUYING ESSENTIALS
Jan. 16  |  6:30 – 8 p.m.  | Ladera Heights and Placentia
Jan. 23  |  6:30 – 8 p.m.  | Fountain Valley
Feb. 5   |  6:30 – 8 p.m.  | Cypress
Feb. 6   |  6:30 – 8 p.m.  | Irvine
Feb. 12  |  6:30 – 8 p.m.  | Corona-Norco
Feb. 13  |  6:30 – 8 p.m.  | San Clemente
Feb. 20  |  6:30 – 8 p.m.  | Santa Ana
Feb. 26  |  6:30 – 8 p.m.  | Tustin
Feb. 29  |  9:30 – 11 a.m. | Menifee
March 4  |  6:30 – 8 p.m.  | Valencia
March 18 |  6:30 – 8 p.m.  | Tustin
March 25 |  6:30 – 8 p.m.  | Whittier
March 26 |  6:30 – 8 p.m.  | Costa Mesa

REGISTER TODAY AT schoolsfirstfcu.org/workshops
Workshop dates are subject to change.
Financial Workshops

Learn more about planning for your financial future by attending our complimentary workshops at these locations:
(Workshop dates are subject to change.)

RETIREMENT FOR SCHOOL EMPLOYEES
Jan. 11, Feb. 8, March 14 | 10 – 11 a.m. | Riverside Administrative Office
Jan. 18, Feb. 15, March 21 | 10 – 11 a.m. | Santa Ana

DO YOU NEED A REVOCABLE LIVING TRUST?
Jan. 23 | 6:30 – 8 p.m. | Tustin Administrative Office
Feb. 20 | 6:30 – 8 p.m. | Pasadena
March 19 | 6:30 – 8 p.m. | Riverside Administrative Office
We Can Help You Cut Debt

Call or visit a local branch for an account review* to see if we can help you save money on your loans or credit cards. Make this the year you say goodbye to debt.

*All loans are subject to approval.
Presidents's Message

Dear Members,

We're grateful that 2019 was another record year for our Credit Union. Thanks to your loyalty and participation in our products and services, we helped Members build stronger financial lives and fulfill their dreams — from buying a car or home — to getting out of debt and having a little extra left over each month in their accounts.

As we begin 2020, know that we are committed to helping you and your family achieve lasting financial well-being. We do this by offering affordable financial products and services, and practical advice that can help you make the most of your money. No matter where you are on your financial journey, we’re here to help.

If you need more in-depth help with life events, our financial advisors2 will meet with you one-on-one to discuss your goals and help you create a personalized financial plan. And if you’re a school employee, our team of retirement plan advisors2 understands your pension systems (CalPERS and CalSTRS) in addition to 403(b) and 457(b) retirement plans offered by your school district.

We’re also pleased to share the good news about our successful merger with Schools Financial Credit Union. On Jan. 1, we became one Credit Union, and we will be working on an integration plan to be completed by the end of 2020. This merger gives us even greater resources to serve school employees and their families throughout California. We’ll also be welcoming more than 158,000 Members to our Credit Union family, along with 11 branches located in Northern California. We’ll provide regular updates on our website regarding our progress and when we will be able to serve you at our new Northern California branches.

We appreciate your loyalty and support. When you participate in our products and services, you are directly helping Members create financial security and strengthen the communities we serve.

Looking forward to a successful 2020!

Bill Cheney | President/CEO

America Saves Week is Feb. 24-29 this year, but saving for the future happens all year long. Join other Americans who are setting a financial goal, making a plan, and saving automatically.

Visit americasaves.org to take the pledge.

Real Member, Real Savings

Angela was a teacher for 40 years and loved it, and now she’s relishing the freedom that comes with retirement. She credits SchoolsFirst FCU with helping her plan and save for her future. “Retirement comes faster than you imagine!” she says.

Even though she’s enjoying retirement, Angela stays involved with the educational community. She volunteers at a Spanish immersion kindergarten class, mentors other teachers and sells Spanish teaching materials. Angela says her favorite part of being a teacher was having the ability to guide students. “We get older, but the kids are the same age,” she says. “You really are influencing the future.” Many of her friends are former students, and she enjoys these lasting connections. “It keeps you young,” she says.

Angela has also used her influence to encourage new teachers to become SchoolsFirst FCU Members. She’s a big fan of the Summer Saver account, a product designed for school employees on a 10- or 11-month pay schedule that helps them build savings to get through the months when they don’t receive a paycheck.

Over the years, Angela met with our financial and retirement plan advisors2 to help her make smart decisions about her finances. She appreciates the personalized service she received, especially when it came to saving for her future. “I always felt like SchoolsFirst FCU knew who I was,” she says. “Now all these years later, when I see how that money has grown in a safe place, I am very happy that I did exactly as I was told because it allowed me to maximize my salary.”

She loves the Credit Union because it offers Members the ability to achieve financial stability. “I know the Credit Union is safe and solid,” she says. “I don’t make much, so I’m happy to put my money where it’s safe.”

“The retirement savings account you’ve helped me build will allow me to live a comfortable life with my husband, doing the things we love.”

Angela M.

Member Since 1981
BUYING A HOME?
GET THE RIGHT LOAN

Our First-Time Home Buyer Mortgage features competitive interest rates, a low down payment — as low as 3% — as well as closing costs and minimal private mortgage insurance, or PMI, coverage that are lower than FHA loans. This makes it a smart solution for those who want to get into their first home but don’t have a lot of savings on hand.2

School employees can take advantage of our School Employee Mortgage Program featuring competitive rates that won’t fluctuate over time. This means lower monthly payments than a shorter-term loan, and because the interest rate is fixed, payments stay consistent. It also offers discounted loan processing fees, no PMI and a 5% down payment option.3

Our adjustable rate mortgages, or ARMs, feature down payments as low as 5%, a no PMI option and lender-paid closing costs — depending on the loan amount. An ARM has a starting interest rate that’s set for a period of time — either five or seven years — and then adjusts up or down each year thereafter, or in the case of the 5/5, adjusts every five years after the initial years.3

INTERESTED IN A HOME LOAN?

WE’RE WAIVING OUR LOAN PROCESSING FEE through Dec. 31, 2020. Get into your new home with even more money left in your pocket. When you purchase a home, we’ll waive the loan processing fee up to $995.4

VISIT SCHOOLSFIRSTFCU.ORG/HOMEOANS TO LEARN MORE. Or call us at 800.462.8328, ext. 8288, Monday through Friday, 7 a.m.–7 p.m., Saturday, 9 a.m.–3 p.m.

Find A Fee-Free ATM Near You
We offer more than 28,000 fee-free ATMs across the country. Just look for the CO-OP logo. Use our free Mobile Banking app5 to find an ATM near you.

We’re Here For You
Go Online
Visit schoolsfirstfcu.org

Call Us
800.462.8328
Monday – Friday, 7 a.m. – 7 p.m.
Saturday, 9 a.m. – 3 p.m.

Find Us
Visit schoolsfirstfcu.org/branches or use our Mobile Banking app to find a branch or ATM near you.

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.

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

Holiday Notice
In observance of these holidays, our branches, in-store branches, service centers and Member Contact Center will be closed.

Wednesday, Jan. 1
New Year’s Day

Monday, Jan. 20
Martin Luther King Jr. Day

Monday, Feb. 17
Presidents 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!

1. SFFCU does not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction. 2. Financial Advisors are registered representatives of CUNA Brokerage Services, Inc. Representatives are registered, securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, which is not an affiliate of the credit union. CBSI is under contract with SchoolsFirst FCU to make securities available to Members. CUNA Brokerage Services, Inc. is a registered broker/dealer in all fifty states of the United States of America. 3. All loans subject to approval. 4. Only available on loan applications to purchase a primary residence. Application must be dated prior to 12/30/20. Fully executed purchase contract on an identified property must be submitted no later than December 31, 2020. 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. Data charges may apply. Check with your mobile provider.

1. SFFCU does not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction. 2. Financial Advisors are registered representatives of CUNA Brokerage Services, Inc. Representatives are registered, securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, which is not an affiliate of the credit union. CBSI is under contract with SchoolsFirst FCU to make securities available to Members. CUNA Brokerage Services, Inc. is a registered broker/dealer in all fifty states of the United States of America. 3. All loans subject to approval. 4. Only available on loan applications to purchase a primary residence. Application must be dated prior to 12/30/20. Fully executed purchase contract on an identified property must be submitted no later than December 31, 2020. 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. Data charges may apply. Check with your mobile provider.