

# Report Card

SUMMER 2019

**Is There A Right Time  
To Buy A Home?**

**How Much Car Can You Afford?**

**Take Some R&R With No Regrets**

**Online Security Tips You  
Should Know About**



**“SchoolsFirst FCU has helped make my dreams come true in a fiscally responsible way. All of my major purchases have been through the Credit Union — my education, my car, my home.”**

**BRIAN M.**  
MEMBER SINCE 2009

# IS THERE A RIGHT TIME TO BUY A HOME?



The peak homebuying season starts in March and runs through the summer months, with plenty of homes on the market. But according to the experts, if you're looking for deals, there may be better times to buy.



## SPRING AND SUMMER: **More Competition**

During the peak season, houses sell very quickly, so if there's a home you've got your eye on, you may have little room to negotiate and will face competition from other buyers.



## FALL AND WINTER: **Less Inventory**

As summer ends, there's less inventory but also less competition from other buyers. According to a NerdWallet study, home prices are 8.45% lower in January and February compared with June and August.



## JANUARY SPECIALS: **Negotiating Power**

According to Census Bureau data, median home prices are lowest during January. Homes have been sitting on the market, giving you more negotiating power.

THE BEST TIME  
➔ TO BUY?

## WHEN YOU'RE READY.

Be in a good position to buy: Pay down debt, boost your savings, and get pre-approved for a home loan before you go shopping.



## Let Us Help You Find The Right Home Loan<sup>1</sup>

One of the benefits of Membership is getting financial guidance when you need it. A SchoolsFirst FCU home loan consultant can discuss your finances and help you develop ways to work toward your goal. When you join the Home Advantage program, you'll get the expertise of both your loan consultant and a participating real estate agent. In addition to valuable rebates,<sup>2</sup> you can enroll in My Home Savings,<sup>2</sup> an account that allows you to earn dividends on the money you save for a down payment.

## Real Estate Workshops

Get expert advice by attending our complimentary Home Buying Essentials workshop at these locations:

- July 11 | 6:30 – 8 p.m. | **Los Angeles-Ladera Heights**
- July 13, Aug. 24 | 9:30 – 11 a.m. | **Tustin Administrative Office**
- July 17 | 6:30 – 8 p.m. | **Long Beach-Lakewood**
- July 18 | 6:30 – 8 p.m. | **Placentia**
- July 24 | 6:30 – 8 p.m. | **Downey**
- July 25 | 6:30 – 8 p.m. | **Costa Mesa**
- July 31 | 6:30 – 8 p.m. | **Riverside-University**
- Aug. 1 | 6:30 – 8 p.m. | **Santa Ana**
- Aug. 14 | 6:30 – 8 p.m. | **Orange**
- Aug. 15 | 6:30 – 8 p.m. | **Fountain Valley**
- Aug. 20 | 6:30 – 8 p.m. | **Lancaster**
- Aug. 21 | 6:30 – 8 p.m. | **San Clemente and Riverside Administrative Office**
- Sept. 11 | 6:30 – 8 p.m. | **Whittier**
- Sept. 12 | 6:30 – 8 p.m. | **Irvine**
- Sept. 18 | 6:30 – 8 p.m. | **Anaheim**
- Sept. 19 | 6:30 – 8 p.m. | **Cypress**
- Sept. 25 | 6:30 – 8 p.m. | **Rancho Cucamonga**
- Sept. 26 | 6:30 – 8 p.m. | **Pasadena**



**REGISTER TODAY AT**  
[schoolsfirstfcu.org/workshops](https://schoolsfirstfcu.org/workshops)  
*Workshop dates are subject to change.*



# How Much Car Can You Afford?

By Lynnette Khalfani-Cox, The Money Coach®

*Lynnette Khalfani-Cox, The Money Coach®, is a personal finance expert, a television and radio personality, and the author of numerous books, including The New York Times bestseller "Zero Debt: The Ultimate Guide to Financial Freedom."*

When you go to a car dealer to purchase a new or used vehicle, one of the first financial questions a salesman will typically ask is: How much do you want your monthly payment to be?

Unfortunately, that is precisely the wrong question to consider if you want to make a wise economic decision about buying a car. To know how much car you can truly afford, you need to consider two factors: the true, total cost of car ownership, and all the other expenses you have to pay each month.

**Here's how to evaluate each so you can better understand how much car you can afford.**



## THE TRUE, TOTAL MONTHLY COST OF CAR OWNERSHIP

It would be nice if the cost of having a car amounted solely to your monthly loan payment, but that's far from reality. According to a study from AAA, in 2018 it cost almost \$8,700 annually — that works out to about \$725 a month — to own and operate a medium-size sedan that's driven 15,000 miles a year.

Smaller sedans are cheaper to drive, but they still cost an average of nearly \$6,800 a year. Meanwhile, pickups are the most expensive vehicle to drive, at a cost of more than \$10,200 a year. If these numbers seem awfully high, perhaps it's because you're not taking into account the operating costs and ongoing ownership costs of owning a vehicle. This is where car salesmen do a good job — getting you to focus exclusively on the monthly loan payment so you'll purchase a vehicle.

But AAA's figures include operating costs, like gas, maintenance, repairs and tires, along with ownership costs, such as insurance premiums, depreciation, license fees, registration and taxes. So when you finance a vehicle, don't

be swayed by a salesman who says that your car payment might be "only" \$300 to \$500 a month. That cost is in addition to the other expenses you'll be paying each month for the convenience of having your own set of wheels.



## YOUR OTHER FINANCIAL OBLIGATIONS

Before you decide on a car that's right for you, and that you can actually afford, you should run the numbers on your overall budget. Give a detailed look at some key figures, like your housing payment, your credit card debt, and the amount you spend monthly on food and utilities. Then consider how much room you have in the budget to comfortably pay all the expenses that come with owning a car.

No matter how much you might love a car you test-drive, or one that a salesman steers you toward on the lot, there's no sense in buying a vehicle that is out of your price range given all your other monthly obligations.

Buying a new or used car can be a fun experience. Just do your homework to get a great deal.

## SUMMER ROAD TO SAVINGS IS BACK!



**Do you want to buy a car? We're here to help make it happen.**

If you're in the market to buy a car, let us help you find, finance and insure it. We're offering low auto loan rates, exclusive incentives and discounts! We make the process streamlined and stress-free, and make sure you get the best deal possible. Visit [schoolsfirstfcu.org/auto](https://schoolsfirstfcu.org/auto) to learn more.<sup>3</sup>

**Want An Even Lower Rate?**

Buy from Autoland or Enterprise Car Sales<sup>4</sup> and finance with us to get 0.50% off your approved rate.<sup>5</sup>

## Financial Workshops

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

### DO YOU NEED A REVOCABLE LIVING TRUST?

**July 18, Sept. 19** | 6:30 – 7:30 p.m.  
**Tustin Administrative Office**

**Aug. 8** | 6:30 – 7:30 p.m.  
**Mission Viejo-Santa Margarita**

### RETIREMENT PLANNING FOR SCHOOL EMPLOYEES

**July 20** | 10 – 11 a.m.  
**Fountain Valley and Santa Ana**

**July 20, Aug. 10** | 11 a.m. – noon  
**Los Angeles-Ladera Heights**



**REGISTER TODAY AT [schoolsfirstfcu.org/workshops](https://schoolsfirstfcu.org/workshops)**

**Aug. 10, Sept. 14** | 10 – 11 a.m.  
**Riverside Administrative Office**

**Aug. 17, Sept. 21** | 10 – 11 a.m.  
**Santa Ana and Fountain Valley**

**Sept. 11** | 10 – 11 a.m. and 4 – 5 p.m.  
**San Juan Capistrano**

**Sept. 14** | noon – 1 p.m.  
**Los Angeles-Ladera Heights**



# TAKE SOME R&R WITH NO REGRETS

According to a 2019 survey from Bankrate.com, only 52% of Americans plan on taking a vacation this year. The reason so many are staying put? They simply can't afford it. Here are some great ways to pause and refresh without busting your budget.

## 1 ENJOY A STAYCATION

If you can't afford a getaway, discover adventure in your own backyard. Search your county's website for fun events. And if you want to stay somewhere overnight, many hotels offer special packages and discounts for locals.

## 2 FLY SMART

According to CheapAir.com, the prime time to purchase airline tickets is from four months to 21 days in advance. If you wait too long, you're apt to pay almost \$220 more than you would have if this ticket was purchased in the Prime Booking Window.

## 3 TAKE A ROAD TRIP

Before you go, make sure your car is running well and you have roadside assistance. You might also consider a scenic train trip or renting an RV.

## 4 TRAVEL OFFSEASON

You can save money and avoid crowds if you skip summer travel. Consider saving your vacay for shoulder season (April through mid-June and September through October) or offseason (November through March). A travel agent can suggest best trips to consider, and in general, this service will cost about the same as a do-it-yourself booking.

## 5 CHECK OUT YOUR CREDIT CARD'S PERKS

Take advantage of the points or rewards you've earned with your credit card by redeeming them for airfare, hotel stays and more. If you have a SchoolsFirst FCU Mastercard Rewards Card,<sup>6</sup> you can call a Lifestyle Manager who will help you find special deals and book your travel.



### NEW MASTERCARD BENEFITS

Mastercard® regularly reviews the benefits it offers credit and debit cardholders. In July, it's updating the benefits you receive on your SchoolsFirst FCU credit or debit Mastercard, including exciting enhancements to identity theft protection. Please note that your SchoolsFirst FCU Mastercard will no longer come with certain insurance benefits.



### FIND OUT MORE

**These changes do not affect the way cardholders use their cards today.** Cardholders have received information about changes to benefits. Credit cardholders can go online for more information at [schoolsfirstfcu.org/creditcard](https://schoolsfirstfcu.org/creditcard), while debit cardholders can go to [schoolsfirstfcu.org/debitmastercard](https://schoolsfirstfcu.org/debitmastercard).

# President's Message



We hope you're having a great summer, spending time with family and friends. Summer can also be a good time to review your finances and create a plan.

Building a financial plan doesn't have to be complicated. You can start with a simple spending plan, tracking what you earn and how you spend. Once you

understand where your money is going, you can make adjustments to improve your situation. The end goal is to save money, get out of debt, pay your bills on time and have a little left over each month.

We also understand you have hopes and dreams. Maybe you want to buy a home or car, save for your children's education, plan for a happy retirement or become debt-free. Know that we'll assist you in creating a strategy that fits you and your unique needs. If you haven't met with one of our financial or

retirement advisors yet, we encourage you to do so. It's a free benefit of Membership. With a plan in place, you'll see how easy it is to make significant progress by sticking with it. Our goal is to help you gain confidence in making smart financial decisions. Visit [schoolsfirstfcu.org/advisors](https://schoolsfirstfcu.org/advisors) to learn more.

In addition to professional advice, SchoolsFirst FCU offers financial education, tools and in-person workshops covering topics such as buying a home, and retirement and estate planning. Visit [schoolsfirstfcu.org/advice](https://schoolsfirstfcu.org/advice) to learn more.

Together, we can make it happen.

It's an honor and privilege to serve you.

**Bill Cheney | PRESIDENT/CEO**

## Real Member, Real Savings

Brian's life is all about kids — as a parent, music teacher and director of youth bands and choirs. A father of six, he credits SchoolsFirst FCU with helping him with all his financial needs, including financing his doctorate program, two mortgages and an auto loan. He got on board with the Credit Union back in 2009 when he heard about the Summer Saver account, which he now maxes out every month. He's trusted us to help with all his major purchases, and appreciates that we offer financial solutions tailored to school employees' needs, such as Summer Saver and Paycheck Planner. "There are no hidden fees, no gimmicks," he says. "I know that you're truly looking out for my best interests, and it's nice to know we have an ally in our financial institution."

Because of his commitment as an educator, Brian was recognized as 2018 California Teacher of the Year and went on to become one of 50 finalists for the 2019 Global Teacher Prize. But it's clear that for Brian, it's not about accolades, but his passion for his students. He explains that establishing a student-led music



organization called The Regiment has helped kids stay away from street violence and focus on music instead.

In addition to helping students, Brian is committed to his fellow teachers, and has taken a leading role in motivating and advocating for educators across the globe. Because he travels so much, he relies on Online and Mobile Banking to help him manage his money on the road. "I've been able to transfer money when in Japan and Dubai," Brian says. "Your Mobile Banking App allows me to live life without borders or barriers and have full control over my financial well-being no matter where I am."



## Giving Back To Our Community

We are proud to be part of a coalition of credit union sponsors that supported Rady Children's Dream Big 5K Walk.

The event raised more than \$350,000 for **Rady Children's Hospital** in San Diego. This amount could cover the cost of a lifesaving ambulance, at least 50 chemotherapy sessions or more than

29,000 packages of preemie diapers. Thank you to everyone who walked and/or contributed!

We were honored to participate in this event that supports a local **Children's Miracle Network hospital**. To learn more about how credit unions across the country support CMN, please visit [cu4kids.org](https://cu4kids.org).



# ONLINE SECURITY TIPS

YOU SHOULD KNOW ABOUT

Technology is great, but with the rewards come the risks. Here are some tips from the Federal Trade Commission to help you stay safe online.



## 1. DON'T SHARE PERSONAL INFORMATION

Keep Social Security numbers, bank account numbers and passwords secure.

## 2. DON'T FALL FOR FREE STUFF

Free games, ring tones or other downloads may contain malware, which is short for malicious software. These computer programs are designed to disrupt, damage or gain unauthorized access to your computer and private information. Don't download anything unless it's from a trusted source and is scanned with security software.

## 3. CREATE STRONG & UNIQUE PASSWORDS

Use strong and unique passwords and change them often. Create hard-to-guess but memorable passwords with a phrase such as "The yellow sun drops behind the Capitol at 6!" which is written as TysdbtCa6! Don't use the same password on multiple sites because fraudsters will try to use the same password and email to access accounts on other sites.

## 4. BE CAUTIOUS WITH P2P FILE SHARING

Peer-to-peer file sharing allows you to share music, games and software. To share safely, install file-sharing software and keep it updated. Then, before downloading files, scan them with security software.

## 5. DON'T TAKE THE BAIT: PHISHING SCAMS

Phishing is a fraudulent attempt made via email or social media by scammers seeking to steal your personal or confidential information for illegal purposes. Phishing emails imitate communications from legitimate companies such as your banking institution, or websites, companies and even services where you don't have accounts.

Never reply to texts, emails or pop-up messages asking for your personal or financial information, and don't click on any links within the message. Take caution when opening any attachment or downloading any files from emails, regardless of who sent them. They may contain malware.

## We're Here For You

**Go Online**  
schoolsfirstfcu.org

**TellerPhone**  
800.540.4546: Automated service available 24/7

**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**  
800.462.8328:  
Available 365 days a year from 5 a.m. to midnight

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

**Download Our Mobile Banking App**  
Available in the Apple App Store and Google Play.

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

## Holiday Notice

In observance of this holiday, our branches, in-store branches, service centers and Member Contact Center will be closed.

**THURSDAY, JULY 4**

Independence 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!



Insured by NCUA.

1. All home loans subject to approval. Programs, rates, terms and conditions subject to change without notice. 2. Variable rate, subject to change daily at our discretion. Limited to existing Members who are participating in the Home Advantage Program; limit one per Membership. No early withdrawal penalty if full balance is used for home purchase. Partial withdrawals or withdrawals not used for home purchase are subject to an early withdrawal fee of \$10 and closure of the share. Minimum deposit amount is \$250. Additional deposits allowed to the maximum balance of \$50,000. Certificate terms are available for 6, 12 or 24 months. See SchoolsFirst FCU's Disclosure & Agreement of Terms and Conditions brochure for additional details about Share Savings Accounts. 3. All auto loans subject to approval. 4. Used vehicles were previously part of Enterprise short-term rental and/or lease fleet or purchased by Enterprise from other sources, including auto auctions, with previous use possibly short-term rental, lease or other. 5. Rate discount only available for vehicles purchased through Autoland or Enterprise Car Sales. Offer valid 5/20/19 - 9/9/19. 6. SchoolsFirst FCU's credit card program features a range of interest rates based on a variety of factors, including the applicant's credit rating. As of 4/25/19, Inspire credit card rates range from 10.75%-17.90% APR; School Employee credit card rates range from 9.75%-17.90% APR; and Rewards credit card rates range from 13.75%-17.90% APR. Rates are subject to change, are variable and subject to increase after account opening. Currently fixed rate. Prior to account opening, the quoted rate may change without notice. After account opening, the rate is fixed for a minimum of one year, subject to change thereafter. Foreign transaction fee: 2% of the transaction in U.S. dollars for School Employee, Inspire and Share-Secured credit cards.