



The Credit Union That Is Different . . . On Purpose!

C U NOTES

Your Shares Are Federally Insured To At Least \$250,000

September 30, 2021

KNOXVILLE TEACHERS FEDERAL CREDIT UNION

DIVIDENDS ANNOUNCED FOR THIRD QUARTER OF 2021

Your previous newsletter gives a very detailed explanation concerning conditions that dictate much of the decision making of dividends paid by Knoxville Teachers Federal Credit Union. Anyone not having been in complete isolation over these past many months knows that your credit union is in a period in which yields on savings are in uncharted territory. We continue to try to keep income and expenses in balance to be able to direct most of the income to payment of dividends to saving members.

Your Board authorized a continuation of payment of dividends at **0.35% APR** on all shares IRA accounts and all other shares on deposit in excess of \$10,000. Shares below \$10,000 earned a dividend at **0.10% APR** for the second quarter of 2021.

The Board also authorized that the rate on Deferred Compensation Plan 457(b) accounts remains unchanged from the previous quarter. This rate is very close to ten times the national average rate of one year CDs as reported by FDIC. (See the comparison chart below.) This program is available to members whose employing school system has signed an agreement to make these payments to an account in the members' name by a separate method approved by IRS laws.

WHEN DOES FRUGAL BECOME CHEAP?

We have touted our efforts to operate your business effectively while being frugal. Knoxville Teachers Federal Credit Union has what we believe is the lowest operational cost ratios in the area. We have kept that standing for many years while building a credit union that offers most, if not all, of the services that members need over the course of their lives.

Loan and savings rates are very competitive. Full online services are secure and well maintained. Notary services are offered to members at no charge. In person assistance is available every day except on days that both banks and schools are closed. Access to cash 24x7 via ATMs, with any withdrawal surcharges being reimbursed within reasonable limits. And the list goes on.

Our manager does not tear off the paper on his adding machine. No, really. He lets it accumulate and then reverses the side and uses it the second time. While we are very proud of being frugal, we do find this to be a bit embarrassing. In fact, this is to ask members to help persuade our manager to lighten up and discontinue this practice. We like being frugal. But this is cheap by any standard. *(Note: Our manager was on vacation the week this was written. And he doesn't proofread.)*

QUELL YOUR EXCITEMENT

We want to refute the rumors that the baseball field currently under consideration is to be named KNOXVILLE TEACHERS FCU FIELD.

While it would be a thrill and an honor to see our name on the stadium, we are fully aware that a rather large expense is attached to having a sports facility. Your Board has elected to reject the idea and retain our title of one of the most efficiently run credit unions in Tennessee. Thanks anyway.

	4th Quarter 2020	1st Quarter 2021	2nd Quarter 2021	3rd Quarter 2021	Yearly Average APY
Credit Union Premium Shares	0.50%	0.35%	0.35%	0.35%	0.39%
Credit Union IRA	0.50%	.035%	0.35%	0.35%	0.39%
Bank 6 Month CD*	0.20%	0.11%	0.10%	0.09%	0.13%
Bank 1 Year CD*	0.25%	0.17%	0.15%	0.14%	0.18%

*(Rates are as of first of each quarter.)
The APY rate printed on your statement is the composite of your share deposit yields as described above.
Published by www.fdic.gov

DISCUSSIONS OF WHACK?

Anyone who has monitored interest rates knows that something is out of Whack. The laws of economics that we learned early in life must have been repealed. When prices of the basics increased, so did interest rates. Apparently, no longer. So, things are Out of Whack.

Your credit union Board is aware of these inconsistencies. Our practice of paying the highest returns to depositing members is still in effect but the extremely low and general economic environment makes long term members say "huh?" Then when they check, our rates are still very attractive.

We believe that someday things will be put back into Whack. Until now, we had never spent much time thinking about how much being in Whack is important.

KNOXVILLE TEACHERS FEDERAL CREDIT UNION

East/Downtown

711 N. Hall of Fame Dr.
Knoxville, TN 37917
(865) 582-2700

Farragut Office

147 West End Avenue
Knoxville, TN 37934
(865) 582-2701

North Office

108 Hillcrest Drive
Knoxville, TN 37918
(865) 582-2702

Powell Office

7315-C Clinton Hwy
Powell, TN 37849
(865) 582-2703

Clinton Office

125 Leinart St
Clinton, TN 37716
(865) 582-2705

South Office

7359 Chapman Hwy.
Knoxville, TN 37920
(865) 582-2704

Halls Office

3722 Cunningham Rd
Knoxville, TN 37918
(865) 582-2706

Bearden Office

410 Montbrook Ln.
Knoxville, TN 37919
(865) 582-2707

Carter Office

8537 Asheville Hwy.
Knoxville, TN 37924
(865) 582-2708

Oak Ridge Office

304 New York Ave
Oak Ridge, TN 37831
(865) 582-2710

All locations are open 9-5 weekdays,
except October 11 (Columbus Day), November 25
(Thanksgiving), and December 24 (Christmas Eve)

IMPORTANT TO DO NOW!!

If this sounds as if we are nagging you, so be it. Every responsible adult needs a will, a power of attorney and a health care power of attorney (also called a living will).

First, if you don't have a valid will at the time of your death, the State of Tennessee will write one for you! It's true. If you die intestate (legal term for dying without a valid will), state law determines what is done with your assets. State law is fair but it may not be what you need or want. Our advice is to contact an attorney. The wills available on line can lead you into some murky water. The cost is usually manageable and may be the most important gift you can give to your family. Just ask on the front end of the conversation for an estimate. Suggestion: Don't use a will as a way to memorialize yourself by giving Aunt Mattie's tea set to a niece. That can be done by a list of instructions outside of the will. It could be fun to change the list when you get your feelings hurt. The will can remain unchanged but you can adjust the list at will.

Power of Attorney documents can very easily be created at the same time you work with an attorney on your will. When you grant power of attorney, you do not end your own ability to tend to your affairs. Granting a power of attorney to a trusted friend or relative simply clones you so that your affairs can continue when you are ill or otherwise unavailable. You can name more than one person to have your power of attorney. If you do this, consider listing the two or three connected by "or" rather than "and." By this, those you trust can function for you individually rather than all having to be together to perform some task. You always have the power to revoke the authority at anytime you see fit. It would be prudent to send copies of the revocation to all places where the previously granted power of attorney might be abused.

Finally, your doctor has most likely urged you to create a health care power of attorney. This step is easy. Most hospitals provide forms to create a health care power of attorney. Tennessee and most other states have developed a form that is available on-line. Be sure to use the one for the state that is most appropriate for you. These are easy to use forms that simply gives another person the authority to make medical decisions for you in the event you cannot do so yourself.

That's it. Now, go do these things. Your family will be glad.

IT'S US AGAINST THEM

First, some definitions. "Us" is Knoxville Teachers Federal Credit Union and each member. "Them" describes the people who invade your privacy and serenity by constant phone calls about your car's warranty, Medicare supplements, the error message on your PC, lower back pain (have we left anyone out?). And, notice that we didn't mention what arrives in your mail about every day except Sunday.

So far, no one has come up with a complete protection from those unwanted phone calls. Each of us is responsible for our own privacy and protection. Caller ID helps but many of the calls come in with fake or misleading names or numbers on your phone's caller ID.

We were amused lately when credit union officers received calls purported to be the credit union. It's become so blatant that they have resorted to using robots to raise the alarm about your car's warranty or the fact that your Amazon account has been charged with \$312 for an item that you know you didn't order.

Your credit union is as helpless as you in dealing with these scams. However, from time to time we do see efforts to access member's accounts. Since we serve a restricted membership, we have an advantage of recognizing actions that do not seem authentic. When that happens, we will call members if we have a current and working contact phone number. By this, the member is aware of the fact their identity is known to the scammers. Being alert could prevent events that are potentially costly in both time and money.

Because of this and other good and valid reasons, let Knoxville Teachers Federal Credit Union know your best method of being contacted. Meanwhile, it's us against them.

KNOXVILLE TEACHERS FEDERAL CREDIT UNION IS RECYCLED!

Recycling is good, right? We don't know of any groups who are in an active campaign against recycling. So we can safely be proud of being recycled.

Of the seventeen regular readers of this newsletter, a significant number have remarked on how much of the content appears over and over. Hey, it's recycling! Try to have some appreciation.

Then there is the credit union as a whole. We are regularly recycled. Most new members open the membership by making a loan. Frequently, before that loan is fully repaid, a second or third loan is made to meet new financial needs. After a passage of time, most of those members successfully pay off all loans and begin to add to their share/savings account that was initially opened when the first loan was made. Those members who began as borrowers became the members who made this credit union number one in Tennessee when ranked by savings per member. (We're in the top fifty in the nation, too.)

Family recycling is another common event at Knoxville Teachers Federal Credit Union. Many of the open memberships are children or spouses of teacher/members. We are proud of this family recycling. We have a number of multi-generational memberships. We have at least one five generation set of members from one family.

So for now, we are proudly recycled. If you detect a trend in the opposite direction, let us know so we can provide services to your family in a more discreet fashion.