



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

# C U NOTES

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

March 31, 2022

KNOXVILLE TEACHERS FEDERAL CREDIT UNION

## DIVIDENDS ANNOUNCED FOR FIRST QUARTER OF 2022

Your previous newsletters have given 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 IRA share 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 first quarter of 2022.

The Board also authorized that the rate on Deferred Compensation Plan 457(b) accounts to remain unchanged from the previous quarter. This rate is more than 16 times the national average rate of one year CDs. See the comparison chart below. This program is currently available only to employees of Knox County Schools.

## TIFFANY'S AND NEIMAN MARCUS COMING TO HALLS?

Nothing's official yet but things are happening in Halls. Knoxville Teachers Federal Credit Union has moved its location from the previous location to 6925E Maynardville Pike. (Better known as the Old K-Mart and now the new U-Haul shopping center.)

Until recently, your credit union shared a building with a dental practice. That practice has become so successful that they now require the entire building. We think our presence likely caused much of that success. Top tier commercial enterprises notice the flow of smartly dressed leaders of our society (KTFCU members). Since they're going to our new location, those companies will begin to follow the crowds. Maybe a Jaguar dealership will be next?? Our more modest move happened in early March. We don't have information about any others joining us, but we'll keep an eye out.

## THE GHOST OF CHRISTMAS PAST

We do not intend to try to compete with Charles Dickens. His story is safe from competition or copyright infringement. But we are concerned with members who may be haunted by bills from a Christmas past. We know a few members are still paying on bills made to celebrate Christmas of 2020!! Many are having second thoughts about 2021.

BAH!, to borrow from Dickens. If you are still paying for any Christmas past, perhaps it is time to come in to talk things over. We will try to offer a happy ending to your story. And we will strongly suggest that you open a separate savings account to soften the blow of next Christmas. Then we may offer to package all your past events when you tended to be too much like Santa and not enough like Scrooge.

Scrooge got a second chance to enjoy life. You can too. The sooner you take the first steps, the better.

	2nd Quarter 2021	3rd Quarter 2021	4th Quarter 2021	1st Quarter 2022	Yearly Average APY
Credit Union Premium Shares	0.35%	0.35%	0.35%	<b>0.35%</b>	0.35%
Credit Union IRA	0.35%	0.35%	0.35%	<b>0.35%</b>	0.35%
Bank 6 Month CD*	0.10%	0.09%	0.09%	<b>0.09%</b>	0.09%
Bank 1 Year CD*	0.15%	0.14%	0.14%	<b>0.13%</b>	0.14%

*(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*

## 2021 HAD A RAGGED ENDING

Most, if not all, financial institutions engage a third party to print monthly and quarterly statements. Your credit union has had a long term relationship with one of these third parties. During a relocation and reorganization of that third party vendor, some of our mailings to members were delayed. We apologize if this caused you an inconvenience. We believe the problem has been resolved for future mailings.

## 2022 MAY BE RAGGED, TOO

Many national and international disturbances cause all of us to approach the remainder of 2022 with some anxiety. While war in Eastern Europe holds our attention, inflation is one of the more invasive matters that affect the everyday lives of Americans. We cannot predict with accuracy the coming months except that it will probably contain more anxiety and more adjustments. Knoxville Teachers Federal Credit Union will make every effort to shield members to the extent it can.

Serving Knoxville Area School Employees Since 1932

## KNOXVILLE TEACHERS FEDERAL CREDIT UNION

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

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

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

**Halls Office**  
6925 E Maynardville Hwy.  
Knoxville, TN 37918  
(865) 582-2706

**North Office**  
108 Hillcrest Dr.  
Knoxville, TN 37918  
(865) 582-2702

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

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

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

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

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

All locations are open 9-5 weekdays,  
except May 30 (Memorial Day)

**Virtual Branch - <https://ktfcu.org>  
24-Hour Telephone Teller - (865) 582-2800**

### SORRY, MR. LAMA

So far, His Holiness the Dali Lama, the 14th has not applied for membership in Knoxville Teachers Federal Credit Union. While we are eager to welcome new members to the credit union, it would be an awkward moment if he does. We simply could not enroll him even though he seems like a nice guy.

Membership in Knoxville Teachers Federal Credit Union is exclusively open to school system members and their families. We have polled the membership over the past years to determine if an "open membership" was acceptable to our present members. Always, the response is almost unanimous to remain a credit union for school employees.

So for now and until the Dali Lama or anyone else marries or becomes otherwise closely related to a teacher of other school employee, we must reject the application to become a member of KTFCU. Sorry, Mr. Lama. May we suggest adoption as a possible option?

### EVERYTHING ISN'T AWFUL

It has been hard to avoid binge watching the events as they have unfolded in these past weeks. It has been awful, hasn't it? But some things may be overlooked during these times. Let's think of some together. You know, just like in school. Covid seems to be fading some. Spring has come and isn't the green good to see? We live in a blessed nation. People continue to react and respond in helping ways when others experience hardships or losses. Your credit union is blessed by wonderful and productive members. Life goes on and life is good.

### A TEACHER BY DAY, BUT AT NIGHT.....

Many teachers—maybe most—put on a different super hero cape after a day in the classroom; teachers become servers, salespeople, parents, spouses, care takers and all sorts of roles. Much of the reason for these role changes is based on the need to supplement income derived from teaching. Some take on tasks because they are needed by family, friends and spouses to make commercial institutions work or work better by the addition of their skills.

Knoxville Teachers Federal Credit Union salutes these after hour heroes. Our 24/7 on line connections are only one way to help teachers fit the hard world of financial balancing act in with the extra jobs or with just those pressures of life.

When you catch a moment, log on to [KTFCU.com](https://ktfcu.com) to check out how you can make your time stretch to cover all of your bases. Knoxville Teachers Federal Credit Union is exclusively for teachers and school employees. Organized by teachers over 90 years ago and still controlled by teachers.

### INFLATION

We were beginning to believe all the laws of economics had been repealed. But the current surge in inflation has assured us that some truths continue unchanged. We have speculated about inflation in past editions of this newsletter. The speculation has ended and inflation has begun. When supply chain issues and gasoline prices began to become obvious some months ago, it could no longer remain a speculation. The calamity in eastern Europe has added a sudden and additional spur to inflation.

Buying gasoline has become a form of investment. What you purchase today will be worth more tomorrow and even more next week. We are advising family and friends to keep automobile tanks topped off. It likely will cost more the next time you are at the pump. Since we have been assured that the laws of economics have not been repealed, we believe the potential of gasoline shortages could occur. This is almost assured if the threatened governmental price controls are implemented. Scarcity almost always follows price controls just as prohibition produces black markets. Producers simply reduce production if profits are reduced or eliminated.

This current inflation has many authors. Those wonderful stimulus checks injected huge amounts of newly printed dollars that diluted the value of the dollars already in circulation. Prices went up to adapt to this newer and lower valued dollar. Wars drive up prices. Adverse conditions in farming and food production and processing add to the fire.

Savers suffer even more in that the accumulations of the past are reduced in value. However, those who are in debt will be paying back loans with cheaper dollars. When wages and salaries are adjusted to address inflation, debt repayment becomes a smaller portion of the monthly income. We could go on but be assured that Knoxville Teachers Federal Credit Union will continue to assist members in dealing with conditions as they change. We were founded for that reason. We will continue.

December 31, 2021

<u>ASSETS</u>		<u>LIABILITIES</u>	
Loans	\$142,485,799		
Securities (net)	96,571,775		
Share Ins. Deposits	2,094,681	Shares & Deposits	\$228,332,545
Equipment & Fixed Assets (net)	289,418	Capital Reserves	27,631,312
Other Assets	14,540,868	Misc. Liabilities	18,684
<b>Total</b>	<b>\$255,982,541</b>	<b>Total</b>	<b>\$255,982,541</b>

**7205-0001-1**

**BOX # \_\_\_\_\_ OF \_\_\_\_\_**

**QTY: \_\_\_\_\_**