



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

# C U NOTES

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

June 30, 2024

KNOXVILLE TEACHERS FEDERAL CREDIT UNION

## DIVIDENDS ANNOUNCED FOR SECOND QUARTER OF 2024

The Board of Directors continues the recent trend of increasing dividends. After more than a decade of historically low interest rates, they embarked on a drive to increase dividends to our depositors back in the second quarter of 2022. Our dividend rate on amounts on deposit over \$20,000 are now *eight times higher* than that period! In addition, members who are willing to commit to longer-term, timed deposits can purchase share certificates of deposit. Members can check for the current rate and terms by visiting [KTFCU.org](http://KTFCU.org).

Members who want to retain immediate access to part or full amounts of their deposit continue to see that the trend toward increased rates continues. Shares in an IRA account and all regular shares in excess of \$20,000 earned a dividend at the rate of **2.65% APY** for the period from April 1, 2024, to June 30, 2024. Shares below \$20,000 will continue to earn a dividend at **0.10% APY**. Shares in the NCUA insured 457(b) tax shelter accounts also earned a dividend of **2.65% APY**. We encourage members to be aware that except in certificates of deposits and funds in an escrow account to pay property insurance and taxes, all shares are available for immediate withdrawal.

## EVEN GOOD THINGS NEED IMPROVEMENTS

Since 1977, your credit union has maintained your financial transactions and records by computer data processing. That first computer might be seen in a museum now. There have been several upgrades over that period of time, of course. It has come to a point that a major upgrade is appropriate and required for benefit and services that are coming into the financial world.

This upgrade is a major one. In fact, your credit union will be **closed on October 1, 2024**. This one day will be sufficient to install the major elements. Some very limited services will be available to members even on that day. ATM withdrawals and Visa Debit transactions will be available with lowered daily limits on that day which will be invisible to most members. Bill payments which have been scheduled previous to October 1 will be processed.

However, personal service at all locations will be unavailable as well as the Virtual Branch on October 1<sup>st</sup>. Except for these two services, most members will view this upgrade as seamless. You can expect some improvements that we believe will make your membership even more valuable for you in the coming months and years. Yes, your staff will be working on that one day but they will be working hard to be ready to serve members on October 2<sup>nd</sup> when we open up for business.

## DO WE HAVE YOUR CURRENT TELEPHONE NUMBER?

Rarely do we have a need to contact a member but when we do, we really need to. Not having your current number makes our job harder and may cause a delay to you in getting important information.

Updating your contact number is easy. Give us a call at 865-582-2700.

	3rd Quarter 2023	4th Quarter 2023	1st Quarter 2024	2nd Quarter 2024	Yearly Average APY
Credit Union Premium Shares	2.45%	2.50%	2.55%	<b>2.65%</b>	2.54%
Credit Union IRA	2.45%	2.50%	2.55%	<b>2.65%</b>	2.54%
Bank 6 Month CD*	1.26%	1.36%	1.46%	<b>1.52%</b>	1.40%
Bank 1 Year CD*	1.63%	1.76%	1.86%	<b>1.81%</b>	1.77%

*(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](http://www.fdic.gov)*

## THE 2024 SWIMSUIT EDITION IS OUT!

Again this year, we are pleased to publish our annual Swimsuit Edition of the Knoxville Teachers Federal Credit Union's newsletter. And again, we invite members to participate by reading this mid-year newsletter while basking in a refreshing pool side locale. You may want the privacy of a wading pool. Or, you may have your own in ground pool that you can afford because of your participation in KTFCU's savings account.

Wherever you enjoy this Swimsuit Edition, you will remember that your credit union does not spend money on high dollar models or the expensive camera equipment to conceal the defects of those models.

And once again members will be reminded that your credit union operates in a frugal and responsible manner. Sports Illustrated may have started the swimsuit edition but your credit union knows how to do it with personalized style.

## 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 Ave.  
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

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

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

All locations are open 9-5 weekdays,  
except July 4 (Independence Day), September 2 (Labor Day)  
and October 1 (Conversion Day)

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

### LIMITED MEMBERSHIP

Membership in Knoxville Teachers Federal Credit Union is limited. Most, if not all, credit unions have abandoned the common bond of membership. We have not.

Our name says “teachers” and that is who we serve, as well as all other school employees. Yes. Our charter has expanded over these years, to include other local school systems’ employees. And, of course, we serve teachers by including their immediate family members.

Would we grow larger if we dropped that limitation? Very likely. But our goal is not to get larger—just better. We continue to be different on purpose.

### ANNOUNCING THE WORLD’S BEST SCAM PROTECTION

There is no 100% protection from the schemes of crooks but the best protection is -- YOU! Being alert and logical is a good step. If something sounds almost too good to be true, then stop and think! Your conclusion may very well be that it just isn’t true.

If you are being offered anything free, it almost certainly is not free. Why would a person or group provide you something of value in exchange for almost nothing? Their motive? You can provide the answer, and we’re willing to bet that it has something to do with separating your money from you.

Knoxville Teachers Federal Credit Union never uses the word “free” in describing a service or benefit. We are able to provide some services for no additional charge as a part of member benefits. But nothing is free. And that is with a capital AIN’T!!

Protect yourself. You can do that better than anyone else.

### THE COUNTDOWN CONTINUES!

We are pleased to announce that we have only 734 days of waiting left before we can celebrate the Semiquincentennial. Start your planning now!

### IT’S NOT JUST GROCERIES AND GASOLINE

We have cited the increases in property values before and the need to consider that implication as it pertains to homeowners’ insurance premiums.

Taxes, too, will be increasing. At least three counties in the Knoxville area will be performing tax reassessments this year. Others are scheduled for the next year or two. This should alert members to consider several pending changes. Mortgage companies as well as this credit union may have to report to homeowners that funds in escrow accounts are not enough to meet the increased costs of insurance premium and property taxes.

Even though your home is another year older, the market value has likely increased. So, too, will your costs of insurance and taxes. If you would like to direct more to your escrow account, we suggest you call and ask to speak to the escrow department. If your home mortgage is with a commercial lender, we suggest to contact the holder of your mortgage to address this to avoid a sudden unpleasant surprise.

### LET’S TALK ABOUT DEPOSITOR INSURANCE

At this writing, there are no bank crises on the immediate horizon so we can discuss savings depositor insurance in a calm manner. First, most banks and credit unions are capitalized sufficiently and depositors can be assured that they will never have to learn the critical elements of depositors’ insurance. Next, what is included here applies to both FDIC and to NCUA insurance. FDIC is a government agency that protects customers of banking related entities., NCUA protects the members who have deposits in credit unions. All credit unions in Tennessee are covered by National Credit Union Administration whether the credit union operates with a state charter or a federal charter.

Both federal agencies provide coverage up to \$250,000 per account. Many members of Knoxville Teachers Federal Credit Union have funds on deposit in excess of that amount. While not required, some of those members have elected to open a second or even a third account with slightly different ownership designation. A teacher could have one account as a sole owner but with a designation of a beneficiary in case of death while having a second account with a joint owner. Additional arrangements like these will create higher coverage limits. Contact the credit union for details.

There are other ways to construct separation of funds to expand coverage if the member desires it. If you have an interest in these matters, come in or call and ask to be connected with a staff member who is familiar with NCUA depositor insurance. Knoxville Teachers Federal Credit is well capitalized and the possibility of a need for special arrangement is remote.

### UNLESS YOU JUST SIGNED A CONTRACT WITH THE NFL...

you really need a financial plan. We’re not offering to be your financial planner. We simply want to remind members of Knoxville Teachers Federal Credit Union that a regular deposit to your shares each month is a good way to develop assets for your future. We can help you with the hard part. What’s the hard part? Deciding to do it and then working the details so that a payroll deduction or direct deposit is added to your savings each month.

So, even if you are not expecting that big signing bonus, you can live life largely. But it takes action now. Don’t fumble this. Call 865-582-2700 to get a staff member on your team.