



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

# C U NOTES

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

September 30, 2024

**KNOXVILLE TEACHERS FEDERAL CREDIT UNION**

## DIVIDENDS ANNOUNCED FOR THIRD QUARTER OF 2024

The Board of Directors are still continuing the recent trend of increasing dividends. The drive toward our tradition of superior rates on regular deposits has been going on for two and a half years. Our dividend rate on amounts on deposit over \$20,000 are climbing at a remarkable rate. 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 can see in the table below 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 **2.75% APY** for the period from July 1, 2024, to September 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 **2.75% 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.

### WHERE ARE RATES HEADED?

Like so many things, the big picture of rates is out of any regular person's direct control. It looks like rates are starting to move downward just a bit. We hope this trend will continue. If it does, we'll work to lower borrowing costs, but will continue our push to keep savings rates climbing until we match the return on restrictive CDs without the restrictions. Stay tuned!

### NEW! KTFCU'S PUMPKIN SPICE LOAN

We all know the season starts with all things pumpkin spiced. So, your credit union, always in the forefront, is presenting a pumpkin spiced loan for the upcoming Christmas Season. Traditionally, we firmly believe members should be able to celebrate the season of giving without the burden of The Ghost of Christmases Past. When you apply for a KTFCU Pumpkin Spice Loan, you know you will pay off this loan within a year to assure that the next Christmas will not be spooked by the specter of Christmases Past. (Don't you hate it when your sister opens her gift and says, "You gave me one of these last year!" It hurts even more if you are still paying on that previous Christmas spending spree.)

But if you are haunted by a high credit card balance left from previous Seasons of Giving, let's talk about ending this terrible cycle. Let's set up a plan together to eliminate credit card debt and a modest Pumpkin Spice Loan to make sure that cycle is not terrible. God Bless Us, Everyone.! Said Tiny Tim.

Knoxville Teachers Federal Credit Union is always at the leading edge of research. Pumpkin spice has no actual pumpkin as an ingredient. But you will usually find cinnamon ginger, nutmeg, allspice and cloves. But no pumpkin! No matter. But you can be assured that Knoxville Teachers Federal Credit Union is the real thing when it comes to traditional appreciation of members.

	4th Quarter 2023	1st Quarter 2024	2nd Quarter 2024	3rd Quarter 2024	Yearly Average APY
Credit Union Premium Shares	2.5%	2.55%	2.65%	2.75%	2.61%
Credit Union IRA	2.5%	2.55%	2.65%	2.75%	2.61%
Bank 6 Month CD*	1.36%	1.46%	1.52%	1.81%	1.54%
Bank 1 Year CD*	1.76%	1.86%	1.81%	1.86%	1.82%

*(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)*

### IT AIN'T FREE, MCGHEE

As clear headed adults, we know that nothing in life is really "free." "Free as the air" is an old saying. Have you had to put air into your automobile tires recently? Are you aware of the costs to provide clean air? Or cooled or heated air? You know that drill.

You may have noticed that your credit union has not advised you of any "free" service. As you know, there are several services available to members at no cost but as a benefit to members. If you have had your credit union to provide some service that involves a fee, you may have noticed that fee is significantly less than at a commercial financial institution. That's because we only pass through the actual cost of the service. We do not use the opportunity to serve as an opportunity to make a profit.

A very old motto that was used back in the early days of credit unions was, "Not for charity. Not for profit. But for service." We still believe that is what this credit union is all about.

## KNOXVILLE TEACHERS FEDERAL CREDIT UNION

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

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

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

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

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

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

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

**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 November 28 (Thanksgiving), December 24 (Christmas  
Eve), and December 25 (Christmas Day)

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

## INSURANCE AGAIN

We have discussed in this newsletter the very large increase in premiums for insurance of homes and vehicles. Since renewals are not gathered at one time for everyone, this increase has been creeping in on all of us over the past months and will finally impact everyone during the next few months.

This is another overlooked cost of the general inflationary period we are in. If your window is broken, your insurance company's cost to replace it is more than a year or so ago. So, the insurance company must spread that increase of costs to all insured customers.

We call your attention to this issue to remind you that your mortgage company will be notifying you that your monthly payment into your escrow account for taxes and insurance must be increased. Plan for it and prepare.

One thought is that this might be a good time to consider increasing your "deductible" on your home and auto insurance. If you have a \$500 deductible, your premium might not increase as much if you accept that you will assume the first \$1,000 of the cost of a loss. It could even relieve you of reporting a loss to the insurance company. Many people have \$5,000 deductible policies on homes and on high dollar autos.

## DID YOU JUST GET A RAISE?

Many teachers and administrators saw a well-deserved raise in their paychecks this fall. Like you, we were very happy to see the recognition of teachers' hard work, including odd hours and many unrecognized days and efforts that come with the territory of educating, supporting and encouraging our future citizens and leaders.

While inflation and even a sense of relief from some budget problems eat up a lot of that new monthly cash flow, don't forget one of the primary keys to success is saving. Now that you find yourself with a few extra dollars, maybe you should pick up the phone, call your credit union, and say, "I'd like to start (or increase) my automatic payroll deduction to savings so I can have some money for a rainy day." Just name an amount and we'll take it from there.

## INFLATION IS PERSONAL

Inflation has impacted all members of Knoxville Teachers Federal Credit Union. We all feel it—but not equally. Inflation has impacted some areas of purchasing more than others. Even in food, variations can be found. Oddly, staples have risen in cost more than luxury items. Bread and milk have increased more than olive oils. Some of this can be attributed to supply and demand.

Some relief from the impact of general inflation can be achieved by monitoring what products and items have had less increase than others. One curious comparison is the fact that fine dining has increased but not nearly at the same rate as fast food. We don't suggest you hit the four star eateries to save on your food costs but it might seem prudent to not zip through for that quickie supper of Big Macs. Maybe some planning on the way home to have a more economical dinner at home is a better choice.

Inflation has been blamed on about everything from Covid, global warming, supply chain problems, the other political party (regardless of which), and greed of the other guys. We don't assume to know for certain but we do know that we, as individuals and as families, must cope with this. The obvious reaction is to attempt to spend less than our income or the debt burden will impact you for years to come. Perhaps the same understanding could be useful to our tax supported governments at all levels.

There are a lot of choices! Making the correct ones seems to have become urgent.

## YOU ARE NOT A WINNER!!

Everybody loves a winner, it is said. Sorry to be harsh but that's not what you will learn if you believe a caller or a post card telling you that you are a winner. In fact, you could end up even worse – A LOSER!

We are always sad to find a member has fallen for the traps set by the scammers and con artists of the 21st Century. A frequent opener is, "Congratulations, you have won (fill in the blank. A pony, cash, car, etc.). After that exciting information, the "winner" (and soon to be loser) is asked for information so their winnings can be deposited into your bank account. Of course, it's very logical that they need your bank account number and several other pieces of information. Maybe passwords to your online account? The next step is that the "winner" finds that withdrawals are being made from your savings or checking account, or both. You suddenly realize that your status has changed to LOSER.

Another variation of this is to receive an envelope with a check enclosed for \$400 or \$500. And the letter advised you that this is only the first part of your winnings. To get the full amount of the astounding Grand Prize, you need to send a check for \$400 or \$500 to pay for the legal process of getting the whole amount to you. Quickly, the "winner" sends off the check. Why not? You have their check for the same amount. Within a few days, you learn that their check is worthless and the bank or credit union must reduce that from your account. By the time you get to enter a "stop pay" on your check, it has been cashed and you realize you are not a winner but a loser. And the worst part is how foolish you feel.

We are not experts in crime busting but if you get tempted to be a "winner," feel free to call in to discuss matters to sort out the facts.