



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

C U NOTES

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

June 30, 2025

KNOXVILLE TEACHERS FEDERAL CREDIT UNION

DIVIDENDS ANNOUNCED FOR SECOND QUARTER OF 2025

One of the primary goals set by your Board of Directors is to continue increasing dividend rates for our depositors. We've focused our efforts on this goal for nearly three years and it has been paying off. Our success in growing dividends has continued, and accelerated, into the second quarter. Our dividend rate on amounts on deposits over \$20,000 continue to climb at a steady 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.

The table below will show members that regular share rates, which offer immediate, on-demand access to depositors have grown steadily through the last year. All regular shares in excess of \$20,000 earned a dividend at the rate of **3.05% APY** for the period from April 1, 2025, to June 30, 2025. Shares below \$20,000 will continue to earn a dividend at **0.10% APY**. Due to actions taken by our sponsor, Knox County Schools, all shares in 457(b) tax shelter accounts have been converted to a Traditional IRA. Those accounts earned a dividend of **3.05% APY** on their entire balance. We encourage members to be aware that except in certificates of deposits and funds in an escrow account, all shares are available for immediate withdrawal.

ANNUAL SWIM SUIT EDITION FOR 2025

Summer has just begun so it's time for our annual swim suit edition of this newsletter. This is when we suggest you get out that trusty wading pool and fill it up for a refreshing place to read this second quarter edition of 2025. We began the tradition of a swim suit edition to offer an alternative to a more well known swim suit publication. We don't print thousands and thousands of extra copies of our swim suit edition but we do try to have several hundred extra copies. (Actually only about five or six but we are rounding up here.)

The main purpose of this special annual version of our newsletter is to point out that Knoxville Teachers Federal Credit Union does not print mail outs to members on glossy and heavy bond paper with portraits of our Board Chairman or Manager. Nice looking dudes they are but it is another example of the respect we show our members by being frugal. Those pictures of guys or swimming beauties on slick paper cost and it costs a lot. Knoxville Teachers Federal Credit Union has one of the smallest cost per asset size of credit unions in the state. We're not cheap. We are frugal. We recognize that as a member owned financial institution, we have a responsibility to respect members' money. Our largest annual expense is the payment of dividends to depositing members. We think that's appropriate. In fact, we are in a campaign to increase dividend rates paid to members.

If you accidentally drop your copy of the Knoxville Teachers Federal Credit Union into your wading pool, you will see it dissolves at a slightly higher speed than those slick annual reports from other financial institutions.

	3rd Quarter 2024	4th Quarter 2024	1st Quarter 2025	2nd Quarter 2025	Yearly Average APY
Credit Union Premium Shares	2.75%	2.80%	2.90%	3.05%	2.88%
Credit Union IRA	2.75%	2.80%	2.90%	3.05%	2.88%
Bank 6 Month CD*	1.81%	1.81%	1.65%	1.61%	1.72%
Bank 1 Year CD*	1.88%	1.88%	1.83%	1.78%	1.84%

*(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

DIVIDENDS OVER THE NEXT QUARTERS

We believe it is timely to discuss dividends. As announced, the rate of dividends continue to increase on your Knoxville Teachers Federal Credit Union share deposits. Even though there is a general decline in interest rates as controlled by the FOMC (commonly called The Fed), yields at your credit union are expected to continue to climb over the next several quarters.

Our traditional target is to pay a dividend on premium shares that is equal to or exceeds the CD rates being paid at other financial institutions. The sudden drop and rise beginning a few years ago, made a quick adjustment of dividends to the CD rate impractical. We are almost there and will once again provide members the ability to receive top yields while having full access to any portion of your deposit on demand.

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) and
September 1 (Labor Day)

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

MISPLACED \$1.7 TRILLION?

If not you, someone has. A recent report revealed that \$1.7 trillion has been forgotten and abandoned by American savers. Because we Americans move or changed jobs, a huge amount of money has been forgotten in 401ks, 457s, and other tax shelters.

We've checked; it's not at KTFCU. The reason is that our staff reviews all files annually so we can contact members who haven't contacted us in three years to confirm that they are aware of the funds on deposit. It's a tedious and detailed effort but we do not want any hard earned money to be classified as abandoned. By law, those funds must be surrendered to the State of Tennessee.

Astonishingly, the average abandoned or forgotten account is \$56,000. Equally astounding is that twenty-nine thousand people have forgotten they owned this money.

We will look after you and your money at the credit union, but you need to think of other places you are on record.

ALEXANDER GRAHAM BELL WOULD NOT APPROVE!

Telemarketers have made the telephone a public enemy or a nuisance at least. Alexander Graham Bell had no evil intentions when he filed for a patent for the telephone. He did not plan that Americans should be interrupted while preparing supper or were in the shower.

Alex simply wanted to provide a way for two people to be able to have a conversation. Instead, those same two people are now victims of strangers who call about things that rank rather low in comparison to the gravy that is on the stove top.

The good news that we can offer is that your credit union will not call you unless there is a need for both the member and the credit union to talk. So if your caller ID says, Knoxville Teachers Federal Credit Union or KTFCU, please answer.

Alexander Graham Bell would not approve of how his invention is being used but we fully believe he would approve of Knoxville Teachers Federal Credit Union.

Zelle. Send and Receive Money

We have partnered with Zelle to provide a fast and easy way to send and receive money from friends, family and people you know.

What do I need to know about Zelle?

1. It is a modern equivalent of handing someone cash.
2. It is an almost immediate transfer to the other person's account or receipt into your account. There is no holding in an online account like there is with PayPal, Venmo, Cash App or other payment methods.
3. The person you send money to must have or sign up for a Zelle account.

How safe is it?

1. If you use it as intended, it is very safe. Only use it with people you know and trust.
2. To improve security, Zelle transfers are only between US Financial Institutions.
3. 90% of losses are from payments initiated through social media. Be very careful what you purchase through Facebook and Instagram. We recommend *not* using Zelle for these purchases.
4. It is great way to pay the person who cuts your grass, but ask them to use the app to request payment from you so you know that you are paying the correct John Smith.

Can I lose money?

1. If you send money to the wrong email or phone number, you are at the receiver's mercy to send it back.
2. If you fall for a scam and bought something online and never received it, you are out the funds. Just like if you handed someone cash and they did not provide the service or item. Please contact us if this happens so we can try to help the next person by blocking that scammer from Zelle.
3. If someone hacked into your account and sent money, we will do our best to recover it. However, there is no guarantee.
4. If a payment situation feels off, it probably is. Trust your gut and investigate *before* sending money.

As always, this service is offered to members without an additional charge.

A GOOD TIME TO SAVE?

Occasionally, we are asked, when should I start saving? The answer is easy. Twenty or more years ago! Look where you would be if you had saved an extra \$20 every month starting twenty years earlier. The second best answer is NOW. An extra \$50 or even \$20 or more each month starting now will make your future brighter. It will offer you more and better options as you encounter the future.

Knoxville Teachers Federal Credit Union members have the highest savings account per member of any credit union in the state and is among the top 1% of credit unions in the nation. The reason? We have always encouraged members to accumulate assets even when borrowing money. When you are making payroll adjustments to accommodate to a new loan for an automobile or an appliance, why not make a small additional accommodation to build your "rainy day" fund so that the next appliance purchase can be done without the need of a loan. Yes, you can do it.

Even if you are not currently making a new loan, a simple phone call to your credit union can arrange to increase your payroll deduction or your allocation of your direct deposit to build your asset base. You can call us at 865-582-2700 or email us at info@ktfcu.org. Yes, we are the place to borrow but we are a place to build your assets as well.

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BOX # _____ OF _____

QTY: _____