A Letter to Our Members

KCT Members,

Hope your summer went well! In this edition of the KCT Difference, I would like to talk about financial literacy and how KCT can help you live better financially. Personally, I feel financial literacy has very little impact on people’s lives without application. KCT has worked very hard over the last few years to make sure we have the products, services and most importantly the trained staff to bring financial literacy application to our Members.

I heard a quote the other day that I feel captures a financial truth. “Money doesn’t make you happy, but managing your money well does.” That financial truth captures what KCT is trying to do.

Debt
At both the national and state level, we are seeing the crippling effects of debt on government. We feel it in our taxes and in the many decisions that we must make to secure a better future. We as individuals, in many aspects, are also a reflection of leadership and the debt we see as a nation and a state has trickled into our individual lives. KCT can help you develop and implement a plan to get on the path of being debt free!

Checking Accounts/Debit Cards
Do you pay a monthly fee to have a checking/debit card account? Are there minimum balance requirements with a fee if you fall below the minimum? Many people that come into KCT for the first time are paying a fee to have a checking account at other financial institutions. It might only be $10 or $20 a month but what does that mean in a lifetime? Why pay a fee when there are alternatives?

Budgeting
If you are like most people, the idea of having a budget is overwhelming. Just like a New Year’s Eve Resolution, if you start one today, will you still be following it in 6 months? KCT can help with budgeting tools found in KCT Online that allow you to keep track of your spending to ensure you are reaching your financial goals.

Advice
Ever feel like you have nowhere to turn? Nowhere to get advice on a money matter? As a not-for-profit financial institution, KCT focuses on where you are headed and not where you have been. We will help you with trustworthy advice to live better financially!

Thanks again for your support of KCT!
Using debt as part of an overall financial strategy can be a good thing. Debt becomes a bad thing when you have too much of it, have the wrong kinds or when its presence causes undue anxiety or bad behavior. Here are some helpful ideas to make sure you are in control of your debt and not the other way around.

**Good debt vs. bad debt**
There are times in life that it is necessary to borrow money. If you are thinking of making a big purchase, consider the long-term benefits and the amount of time it will take to pay off the debt. Borrowing for college, purchasing a home or improving your current one are typically considered 'good debt' because they provide a long-term benefit. Bad debt can be considered the opposite; things that don't provide long-term value, take a long time to pay off or may be an impulsive buy. If you're deciding on making a large purchase, it is important to consider the value and purchasing options available. Good debt can quickly change to bad debt, and bad debt may be refinanced to a lower interest rate or term.

**Eliminate high cost borrowing**
Determine if you can convert high interest rate debt to another type with lower rates. If you are paying interest on credit card balances, find a card with a lower rate, but watch out for "teaser" rates. If you have equity in your home, consider a home equity loan to consolidate all your debts at a lower rate. Contact KCT to schedule a free Debt Checkup to make sure you're paying the best rates on your debt.

**Pay down your debt**
Finding the best way to pay down debt can help you save on interest charges. Paying more than the minimum balance or adding a little extra to your payments can reduce the amount of interest you pay and the amount of time it will take to pay off the debt. Adding an extra $100 a month to your principal mortgage payment could take 6 years off the length of the loan.

**Use the best type of borrowing**
Whether it is choosing a credit card or a home mortgage, be sure the terms of your borrowing match your goals and how you manage your finances. If you pay every credit card bill in full and do not incur any finance charges, it may be OK to have a card that has a high interest rate but offers rewards for use (like miles or money back) or has no annual fee. If you carry over balances and pay finance charges, the interest rate becomes more important. See our chart that compares the payment options between a credit card and an unsecured loan from KCT.

If considering a mortgage, first identify the type that matches your behavior. If you plan to sell your house soon, you may want an Adjustable Rate Mortgage (ARM) with a lower interest rate. If you plan to stay in the home or cannot afford any increase in payments if interest rates rise, consider a long-term fixed rate mortgage.
Reaching Your Savings Goals

Whether you’re saving for retirement, a down payment on a home or saving for holiday shopping, there are many ways KCT can help you achieve your savings goals. KCT Online allows you to setup automatic transfers to your savings account. We also offer a Savings Goal tool through KCT Online and KCT Mobile that lets you create and track your own savings goal. Our Christmas Club account also allows Members to put aside savings each month to save for holiday shopping.

Automate your savings
One of the simplest and most effective tools you can use for almost any saving goal is an automatic savings plan. Watch your savings grow each month without the hassle of manually scheduling transfers by setting up automatic transfers between your accounts using KCT Online and the KCT Mobile app.

Set Savings Goals using KCT Online
You can create savings goals using KCT Online to keep track of how you’re doing. Simply create a new Savings Goal, set your desired savings amount and date. The Savings Goal tool will even give you a recommended monthly saving amount to reach your specified goal date. Track your status from our dashboard or through the KCT Mobile app.

‘Tis the season
With our Christmas Club account, you can begin saving for the holiday season all year. KCT’s Christmas Club account acts as a savings account, but can only be deposited into until November 1, when the balance of the Christmas Club account is automatically deposited into your KCT Checking account. Use this product to help set your budget for holiday shopping and allow yourself to be prepared for the holiday season.

Balance your financial life

Schedule your free, no obligation Debt Checkup and find out how you can reduce your debt burden. Speak to a Member Service Representative or call 847-741-3344 today.
Choosing the Right Checking Account

The foundation of most people’s finances is their checking account. It is usually the account where paychecks are deposited and bills are paid. Spending a little time to choose the right account can make your financial life simpler, save you money and help you earn a little more interest.

Consider how you “use” your checking account:
- How large of an average balance do you maintain?
- Do you use the Debit Card associated with the account?
- Do you make extensive use of ATM access to the account? If so, at which ATMs?
- How many checks do you write each month?

Most institutions offer a variety of accounts with different levels of fees, transaction limits and interest bearing terms. It’s important to be aware of the type of checking account to which you are looking. The more “perks” the account has, the more opportunity banks have to charge a fee. If you use another institution’s checking account as your primary checking account, here are a few things to consider:
- Minimum balance requirements
- Maintenance fees
- ATM network/fees
- Transaction requirements
- Minimum deposit
- Interest bearing

Many of the benefits offered by banks are included with KCT’s Checking account, but don’t include any hidden fees. Below are the benefits that are included with every KCT Checking account.
- No minimum balance requirements, no monthly or annual maintenance fees and no transaction requirements
- Chip-enabled KCT Debit Card to make purchases, pay bills and make ATM withdrawals
- 24/7 account access with KCT Online and the KCT Mobile app
- Monthly dividend deposits based on checking account balance
- Access to over 75,000 surcharge-free ATMs and over 5,000 shared branches through the CO-OP Shared Branch Network.

By switching to KCT Credit Union, you could save up to $300 in service fees alone! As a non-profit, member-owned financial institution, we are able to bring the same quality of products as banks, but with fewer fees and lower rates on loans and credit cards. Consider making KCT Credit Union your primary financial institution and start saving today.
Protect Yourself from the Recent Equifax Breach

On September 7, 2017, Equifax Inc. disclosed a recent data breach that potentially impacts roughly 143 million U.S. consumers. Beginning the middle of May through July 2017, criminals were able to exploit a vulnerability on an Equifax website application and gained unauthorized access to sensitive, personal information.

Personal information accessed included names, birthdates, addresses, Social Security numbers as well as credit card numbers of roughly 209,000 U.S consumers. While most consumers do not interact directly with credit bureaus, financial institutions, credit card companies, retailers and other lenders are required to report account information to them for credit reporting purposes.

Equifax has established a secure site to check if your personal information has been potentially impacted (https://www.equifaxsecurity2017.com/potential-impact/). Additionally, Equifax is providing a one-year complimentary identity theft protection and credit monitoring service through TrustedID Premier for all U.S. consumers, regardless of whether or not your personal information was potentially impacted.

Learn more at: https://www.equifaxsecurity2017.com/enroll/

How can KCT Credit Union help protect your account?

KCT Online and the KCT Mobile app allows you to setup alerts for transactions, balance thresholds, automatic withdrawals and more. To setup alerts on your account, simply login to KCT Online or the KCT Mobile app and select ‘Notifications’ from the ‘Settings’ menu.

The KCT Digital Card App allows you to receive near real-time alerts whenever your KCT debit or credit card is used. You can create text, email and push notifications based on the type of transaction that occurs (transactions over a certain amount, card not present/online, international, ATM withdraw and gas station).

All of our KCT Visa® cards include Visa’s Zero Liability Protection*, which means you are not liable for any fraudulent purchases made with your card.

It is also important to frequently check your accounts and review your monthly statements for suspicious activity. You can also make sure your contact information is up-to-date to ensure that you are receiving any notifications regarding your account.

Other Resources
https://www.ftc.gov
https://www.IdentityTheft.gov

* Visa’s Zero Liability Policy covers U.S.-issued cards only. Does not apply to ATM transactions, certain commercial transactions, PIN or other transactions not processed by Visa. You must notify KCT immediately of any unauthorized use.
Building Stronger Communities Together

Celebrating 80 years!
Our gift to you

Shop with your KCT Platinum or Platinum Rewards credit card and enjoy 4.99% APR thru June 30, 2018 on all purchases made between October 1 and December 31.

*Annual Percentage Rate (APR). All purchases with a KCT Platinum or Platinum Rewards credit card made between October 1, 2017 and December 31, 2017 will receive a rate of 4.99% APR through June 30, 2018. Thereafter the rate will return to its standard purchase rate. If payment is delinquent for 2 consecutive cycles the promotional rate will return to its standard purchase rate.

Purchase or refinance your home with a KCT Mortgage.

Get a Free Appraisal* valued up to $500

We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act. *Free appraisal on refinance or purchase of principal residence single-family homes. Free appraisal on conventional loans only for 15, 20 and 30 year fixed-rate mortgages with a minimum loan amount of $125,000. Offer valid thru December 31, 2017.

KCT makes paying your bills easier

Take the hassle out of paying your bills when you use your KCT Debit card or Bill Pay through KCT Online and KCT Mobile.

Learn more at kctcu.org

OCTOBER 9
Judson University
7:00 PM

Learn more at kctcu.org

Jim Munroe
Author, Illusionist and Cancer Survivor

“Could there be something bigger going on behind the scene of the world that we experience everyday?”