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Summer 2019

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“UFCU is more like a family than a banking institution. If there's anything anyone can do for you, they do it.”

Norman S | Member Since 2012

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Save Time with Pre-Order Pickup

Order checks, debit cards, and more. Then pop in to a financial center to pick up your items without waiting in line.

Visit [UFCU.org/POP](https://www.ufcu.org/POP) to find participating locations and place your order.



President's Report

Sustainable development of our community is one of the seven cooperative principles that guide all credit unions. It's another way credit unions' *people helping people* DNA sets us apart from other financial institutions. At UFCU, we are passionate about and committed to improving quality of life for our Members and for everyone who shares the spaces in which we live, work, and play.

The state of our financial affairs often dictates our quality of life, so helping Members get financially healthy is critically important to us. In fact, our financial health programs help people, regardless of their circumstances, take control of their future. While a solid financial footing does not look the same for everyone, certain standards of financial wellness consistently appear on most everyone's to-do list — spending, saving, borrowing, and planning.

These four pillars of financial health drive our programs, products, and services because we know they are key to your success. Almost half of Americans don't have enough cash in their savings to cover a \$400 emergency. We're determined to change that. Simply put, we want to help you understand how to spend, save, borrow, and plan wisely, effectively manage your credit, and successfully handle life's surprises when they come.

Our vision is a thriving community of empowered, financially healthy individuals. To that end, we are collaborating with our higher education partners, other cooperatives, philanthropically-minded businesses, and people just like you to make it happen. This is an exciting time at UFCU, and we couldn't do it without you.

Thank you for your membership and continued support.

Warmest regards,

Tony C Budet
President/CEO



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Holiday Closings



UFCU will close in observance of the following holidays:

Labor Day	Monday, September 2, 2019
Columbus Day	Monday, October 14, 2019
Veterans Day	Monday, November 11, 2019
Thanksgiving Day	Thursday, November 28, 2019
Christmas Eve (Closing at 2 PM)	Tuesday, December 24, 2019
Christmas Day	Wednesday, December 25, 2019
New Year's Day	Wednesday, January 1, 2020

University Federal Credit Union®

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Austin, TX 78766-9350

Web

UFCU.org

Locations

Ben White	130 E Ben White Blvd, Austin, TX
Brodie	9925 Brodie Ln, Austin, TX
Downtown	703 Lavaca St, Austin, TX
Galveston	428 Postoffice St, Galveston, TX
Highway 79	120 Palm Valley Cv, Round Rock, TX
Lakeline	13860 North US Hwy 183, Austin, TX
Mueller	1801 E 51 St, Austin, TX
N Guadalupe	4611 Guadalupe St, Austin, TX
Pflugerville	15116 FM 1825, Pflugerville, TX
San Marcos	1190 Thorpe Ln, San Marcos, TX
Scotfield	1500 W Parmer Ln, Austin, TX
S MoPac	5033 US 290 W, Austin, TX
Steck	3305 Steck Ave, Austin, TX
Teravista	571 University Blvd, Round Rock, TX
Trinity	1601 Trinity St, Austin, TX
University	2244 Guadalupe St, Austin, TX
Victory Lakes	2500 S Gulf Fwy, League City, TX
Westlake	701 Capital of Texas Hwy S, West Lake Hills, TX
Whitestone	3200 E Whitestone Blvd, Cedar Park, TX

UFCU Plaza8303 N MoPac Expy, Austin, TX

Mortgage Services™	Suite A105
Insurance Services®	Suite A110 (by appointment only)
Wealth Management®	Suite A110 (by appointment only)



UFCU.org



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Paying for Unplanned Medical Expenses

Even with a decent health insurance policy, an unexpected medical event could result in costly out-of-pocket expenses. If unforeseen medical costs are in your realm of possibility, consider these steps to position yourself better.

- 1. Scrutinize Your Bills** — Review every medical bill as soon as it arrives, while your care is still fresh on your mind. If the statement is incorrect or shows only high-level charges, contact the provider and request an itemized bill. The sooner you start communicating with the hospital billing office, the better.
 - 2. Know Your Coverage** — Read your insurance policy carefully. If coverage is not clear, call the insurer. Sometimes it's possible to advocate for coverage that is declined. For example, an insurer might initially decline ambulance transport, but if the patient required IVs and monitors during transport, you might be able to clarify so that they cover the cost.
 - 3. Negotiate for Discounts and Payment Plans** — Don't delay in asking providers for help. Contact them to request a discount, and don't be afraid to negotiate. Some healthcare providers offer discounts for cash, allow patients to pay in multiple payments, or offer interest-free payment plans.
 - 4. Tap into Savings** — If you have sufficient funds saved to pay your medical bills and can still maintain three months of savings for emergency expenses, tapping into your savings account might be a viable option. But if doing so will deplete your savings, think twice. Be wary of pulling funds from retirement¹ savings accounts. While it may be tempting, borrowing from a 401(k) will result in a tax bill².
 - 5. Be Careful with Credit** — Paying off medical debt with credit cards is usually not a good option. You'll likely pay more with interest charges, delay your pay-off date, and negatively impact your credit score.
 - 6. Consider a Personal Loan** — Personal loans add debt to your obligation, but your credit union might offer competitive interest rates, and a loan is less likely to impact your credit score negatively.
- Some medical credit cards do offer brief interest-free periods, but do your research. It's only a good option if you are diligent, and pay off the balance *before* interest begins accruing.
- Your best bet is to act swiftly to address your options, avoid unnecessary costs, and protect your credit rating.
- Long-term care insurance solutions can help you prepare for whatever life brings next, and are available from CUSO Financial Services, L.P.¹ at University Federal Credit Union. Call us at (512) 997-2367 to learn more.**

¹ Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: **are not NCUA/NCUSIF or otherwise federally insured, are not guarantees or obligations of the credit union, and may involve investment risk including possible loss of principal.** Investment Representatives are registered through CFS. UFCU has contracted with CFS to make non-deposit investment products and services available to credit union members.

² CFS does not provide tax or legal advice. For such guidance, please consult a qualified tax and/or legal advisor.



Genest L | Member Since 2008



Buy Successfully in a Sellers' Market

We've all heard the term sellers' market, but what is it? It essentially describes any economic scenario in which sellers have an advantage because what they are selling is scarce, so prices remain high. This is currently the state of the housing market in much of Central Texas. But most potential buyers don't have the option of simply waiting for the ideal time to buy. If you're in the market to buy a home, take advantage of our top 10 list of tips to help you buy a home, in spite of a market that isn't leaning your way.

1. **Get this party started.**

Don't procrastinate because houses listed in a sellers' market aren't available for long.

2. **Dream big, but keep it real.**

Review your budget, determine what you can afford, and look for homes within that price range. It's tempting to explore homes just outside your price range, but remember you'll live not only with the home, but also the payments, for years to come.

3. **Get prequalified.** Time is of the essence in a sellers' market. The edge will surely go to the buyer who is prequalified and has their proof of funds close at hand.

4. **Choose your agent wisely, and heed their advice** when it comes to making a strong offer. The right agent will have the knowledge to guide you to the right offer for your situation.

5. **Find out what's most**

important to the seller.

Your agent can usually get this information and help you satisfy their hopes while still prioritizing yours. If the house is empty, a super-quick closing may win the day. If the home is filled with the possessions of a lifetime, a longer runway to clear out may be very appealing. The more you know, the better positioned you are to craft a winning offer.

6. **Keep it simple.** Clean contracts

often translate to accepted offers. Don't begin by immediately asking for complicated concessions or personal items that wouldn't normally convey with the property, no matter how much you like their patio furniture. If the home needs repairs, they will surface at inspection, and you can negotiate at that point.

7. Make an offer sight unseen.

Really? Make an offer on a house even if you haven't walked through it yet? Well, maybe! If you've chosen the right agent, they know what you want and will advocate for you. Many trusted agents have moved forward with such offers, and saved valuable

time for their clients. (See #1). Plus your contract should include an option clause that allows you the unrestricted right to cancel within a certain period of time. There's a cost for this, usually a few hundred dollars, but it might be worth it.

8. Hope for the best, but be prepared for setbacks.

Buying a home can be an emotional time, and of course, it's personal to you. When you find that almost-perfect home, there's a good chance yours won't be the only offer. Arm yourself with the reality that you might not land the first offer. Stay strong and optimistic.

9. Learn from experience. If your offer is not the one that lands the contract, ask your agent to find out about the terms of the winning offer. Perhaps that information will guide your next attempt.

10. Find the right lender. All sellers want to close on time, collect their proceeds, and move on to their next home. The right lender will guarantee that closing date, and put money behind their guarantee.

Put Austin's #1 mortgage company to work for you. Call us at (512) 997-HOME (4663) or (800) 476-8409. We'll guarantee your closing date and help you make home ownership happen.



From Desk to Driver's Seat

Whether you're purchasing new or used, UFCU offers great rates and flexible terms to business owners ready for business vehicles.

Is your business ready for a new car? We've already assisted Members who provide audio/video, automotive, cleaning, landscaping, pest control services, and more to our communities. We're ready to help you next!

Call us at (512) 498-CARS (2277), or visit [UFCU.org/BusinessAutos](https://www.ufcu.org/BusinessAutos) to learn more.

Seminars and Events

UFCU seminars and events are built upon four pillars of financial health designed to help you at every stage of your journey: spending, saving, borrowing, and planning.

Visit [UFCU.org/Events](https://www.ufcu.org/Events) to register or read complete seminar and event descriptions.

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FOCUS	DATE	TITLE	TIME	LOCATION
Plan	Aug 7	Managing Healthcare Costs in Retirement*	6–7 PM	Brodie
Plan	Aug 21	Retire on Purpose*	6–7 PM	Steck
Borrow	Sep 12	Home Buying	6:15–7:30 PM	UFCU Plaza Event Center
Save	Sep 12	Raising Money-Smart Kids	6–7 PM	University
Plan	Sep 14	Shred Day	10 AM–noon or until truck is full	North Guadalupe
Plan	Sep 18	Insuring Your Home	6–7 PM	UFCU Plaza Event Center
Plan	Sep 18	Planning for Long-Term Care — Protecting Your Life Savings*	6–7 PM	Steck
Plan	Oct 5	Shred Day	10 AM–noon or until truck is full	Victory Lakes
Borrow	Oct 22	Understanding Your Credit Score	6:15–7:15 PM	Teravista
Borrow	Oct 24	Home Buying	6:30–7:45 PM	Scofield
Plan	Dec 4	Estate Planning Basics*	6–7 PM	Brodie
Plan	Dec 7	Shred Day	10 AM–noon or until truck is full	North Guadalupe

* Non-deposit investment products and services are offered through CUSO Financial Services, L.P. (“CFS”), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, are not guarantees or obligations of the credit union, and may involve investment risk including possible loss of principal. Investment Representatives are registered through CFS. UFCU has contracted with CFS to make non-deposit investment products and services available to credit union members. CFS does not provide tax or legal advice. For such guidance, please consult a tax and/or legal advisor.



Our Commitment to Community Impact

With more than 83 years of experience providing for the well-being of our Members, we've been asking ourselves, what more can we do? How might we go beyond delivering products and services that make a difference in your lives? We believe, to extend our reach even further, the answer lies in our social purpose.

We're creating ways to help all of the individuals in our communities thrive. Personal and regional prosperity has many contributing factors. We're focusing on advancing opportunities for quality education, employment, and housing. Here are a few examples of how we're making an impact:

- **Education** — The UFCU Scholars program is our student success initiative. We work with local higher education institutions to provide scholarships, internships, mentorship, and financial health education. This reduces barriers to education, prepares our future workforce for success, and provides students the opportunity to achieve greater levels of prosperity now and in the future.

- **Employment** — Partnering with Austin Community College, we are fueling a community workforce engine for adults who want to earn a degree or certification, learn a marketable skill, and advance their careers. This collaboration enables adult learners to complete their high school equivalency credentials, and easily transition to college prep, English as a Second Language (ESL), or career pathways programs through grants that remove financial barriers. Together, we are empowering individuals to achieve their goals, move into meaningful work, and improve their lives.

- **Housing** — Recently, we have convened and facilitated important dialogues around innovative solutions for affordable

housing in our communities. In collaboration with representatives of major foundations, non-profit organizations, government entities, and private companies, we are exploring how we can make sure everyone with a dream of home ownership has a path to achieve it. And as always, we continue to offer special home loans to veterans, teachers, police officers, firefighters, medical workers, and other heroic individuals in our communities.



“When our community is strong, we are strong. So it makes sense for us to push boundaries and work for positive change, particularly in the areas of education, employment, and housing.”

—Heather M McKissick, SVP Community Impact

A Closer Look at



Credit

Used wisely, credit can be an excellent tool for helping you achieve your financial goals. To help put you on that path, we've collected some of the questions our representatives are asked most often, along with the answers.

What Is Credit?

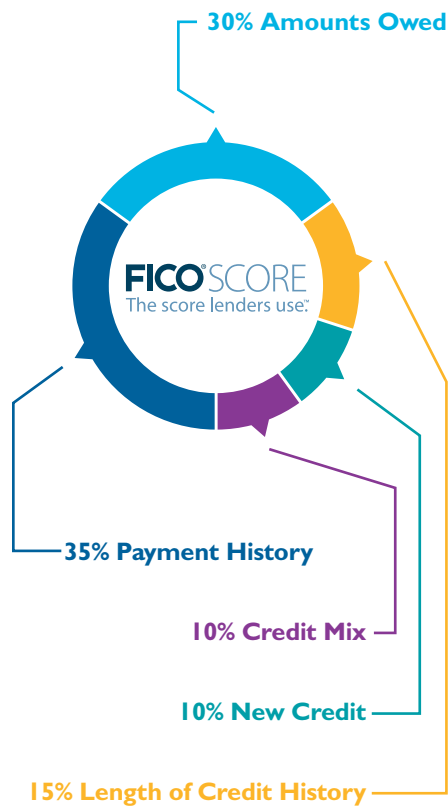
Credit is a tool you can use to improve your financial health. When empowered to get the things you need *now* based on a promise to pay *in the future*, you can find a path to loans that make reliable transportation, quality education, and even affordable housing a reality. You pay for this extra time in the form of interest. Using credit is easy, but maintaining a healthy balance between spending, saving, borrowing, and planning for your future is essential. Working to improve your credit helps ensure you'll qualify for these loans when you need them.

How Are Credit Scores Calculated?

Your credit score is a number that represents the risk a lender takes when they lend you money. The score is calculated based on the loan information in your credit report. A FICO® score is today's most commonly used credit score. Not only do creditors typically check your score before they approve an application, but they also use it when determining what interest rate to charge you. A good score can help you achieve your goals at the lowest possible cost. FICO scores range from 300 to 850. Generally, those with a higher score are granted credit most easily and get a better rate. Here's how the numbers break down:

Exceptional	800+
Very Good	740–799
Good	670–739
Fair	580–669
Poor	< 580

Your credit score is composed of five important components that are largely within your control. Understanding these factors is the best first step to an exceptional credit score:



Understanding how a credit score is calculated is good to know, but understanding what actions you can take to impact those components positively is even better.

How Do I Manage Debt?

You manage debt by taking charge of your **Payment History and Amounts Owed**. **Payment History** is the largest component of your credit score. Making your payments on time boosts your score. Conversely, when you make a late payment, your score decreases and the more late or missed payments you have, the lower your score. **Action Item: Pay your bills on time, every time.**

The overall amount of debt you have is the second largest factor in your score. Carrying balances on credit cards or lines of credit at more than 30% of your credit limit will bring down your score. **Action Item: Know your credit limits, and keep your Amounts Owed at less than 30% of those limits.**

How Do I Build Credit?

You build credit by managing your **Length of Credit History** and **New Credit**. The longer you've had credit, the better, but we all start somewhere. Your **Length of Credit History** considers recently opened accounts and the number of inquiries. Accessing your report for educational purposes is not damaging to your score. However, having too many new accounts can bring down your score. **Action Item: Only open accounts you're sure you need.**

Also, understand the **Credit Mix** component. Having a variety of accounts can boost your score because it demonstrates that you are capable of handling the responsibilities that come with each debt type, including credit cards, lines of credit, personal loans, auto loans, and mortgages. **Action Item: Try to maintain a variety of accounts.**

When it comes to credit, be patient, and consider talking to a professional who can review your specific strengths and opportunities.

Call (800) 252-8311, or stop by any financial center for a free credit review. We'll review your credit score, answer any questions, and help you find your path to financial health.



Aimee H | Member Since 2013

Simplify Your Next Auto Purchase

So, you've found the right car, and you're preapproved! What next? A UFCU *electronic Vehicle Buyer's Check* (eVBC) just might be the quickest, easiest way to buy a car from a dealership. It gives you the ability to pay for your vehicle as a "cash buyer" at your convenience. Here's how it works and why it's a great alternative to the more conventional car-buying routine.

When you walk into an auto dealership armed with an eVBC, you've got all the advantages that come with preapproval, and then some.

What Is an eVBC?

Many UFCU Members know about, or already have taken advantage of, our traditional paper *Vehicle Buyer's Checks* (VBCs). These convenient checks are issued by UFCU directly to our Members, for you to spend at an auto dealership when you're ready to seal the deal. An

eVBC is simply the modernized, electronic version of this process.

How Does an eVBC Work?

Your first step is to contact an expert on our lending team and be sure you qualify. You'll share details about yourself, the kind of car you want, and how much you're looking

to spend. They'll let you know how much you qualify for and initiate the eVBC process. It only takes about 10–15 minutes to apply, and you don't even need to come in to a location. Once your loan officer initiates the process, you'll receive an email advising you of next steps, along with a link to the eVBC that you can use as soon as you've found the right vehicle.

What Are the Advantages of an eVBC?

When you walk into an auto dealership armed with an eVBC, you've got all the advantages that come with preapproval, and then some:

- You can rely on your UFCU loan officer to help you make sure you're buying a car that is right for you and your budget.
- Preapproval with UFCU means you're most likely getting the best interest rate you qualify for.
- You'll be in a better position to negotiate with the dealer when you have a check virtually in hand, essentially making you a "cash buyer" from the dealership's perspective.
- You can use the eVBC at any time, even on evenings and weekends.

Once the negotiation is final, you and your dealer representative will go online to confirm your approval via electronic signature. The next business day, the dealership will receive payment in full, and you'll be enjoying your new car or truck!

Call us at (512) 498-CARS (2277) or (800) 252-8311, visit [UFCU.org/Autos](https://www.ufcu.org/Autos), or stop by any financial center to learn more.



Norman S | Member Since 2012

More Like Family than Financing

After Norman S financed his car, he decided to take care of all of his banking needs with UFCU.

"UFCU is more like a family than a banking institution. Everyone is friendly. If there's anything anyone can do for you, they do it. It wasn't a difficult decision for me to close my accounts and come over to UFCU."

There has never been a time when I've called UFCU and they didn't help me. I've recommended UFCU to several coworkers and friends. It's great when I can recommend UFCU to someone and know they'll be taken care of. They take good care of me, and that's a good feeling."

At UFCU, you're a Member — not an account number. Do you have a great story to share? We'd love to hear it! Visit [UFCU.org/MyStory](https://www.ufcu.org/MyStory), and tell us about your experience.



TURN SPENDING TODAY
into Rewards Tomorrow

The MyUFCU Card Rewards program offers hundreds of unique rewards options with our Cash Back and Travel & Rewards cards. Choose the card that's right for you, and be rewarded for your everyday purchases.



Earn 1.5% cash back for every \$1 spent with your Cash Back card.



Earn 2 points for every \$1 spent with your Travel & Rewards card.

Call (888) 207-3624, visit **UFCU.org/Cards**, or stop by any financial center to apply.



Stacie C | Member Since 1999

Do You Need Renters Insurance?

The short answer is yes. If you live in a rental property, you need renters insurance to protect your personal property, cover your liability, and put a roof over your head if you are displaced.

According to ConsumersAdvocate.org, only 38-41%¹ of renters carry renters insurance, perhaps because many people mistakenly assume that it is expensive. But a renters policy costs on average just \$20 per month, and you can reduce that cost further by bundling your policy with the same company that carries your auto insurance. Every budget differs, but a monthly expense of \$20 seems worthwhile when you consider what you have to gain.

Protection for Your Property

A typical renters insurance policy covers your personal property in the event of fire, theft, or water damage.² If your property is lost or

damaged under these circumstances, a renters insurance policy could mean the difference between temporary inconvenience and long-term financial consequences.

Coverage in the Event of Liability

Renters insurance can cover tenants for liability in the event of bodily injury to another person on the premises or the landlord's property. Considering the rising costs of healthcare, planning ahead for this kind of potential liability would be wise.

A Backup Plan for Displacement

Many renters mistakenly presume

that a policy they can purchase from their apartment complex will handle all of these situations. But if the policy is for liability only, it will not cover personal property or help with temporary living quarters if you are displaced. If you purchase a policy from your landlord, read it carefully to make sure it would meet your needs in every situation.

Your insurance agent is your advocate and can help you navigate the insurance-buying process. Gain peace of mind, and connect with a UFCU Insurance Services agent today at (800) 223-4197 or InsuranceService@ufcu.org.

¹ "Best Renters Insurance, Based on In-Depth Reviews," www.consumersadvocate.org/renters-insurance

² Flood damage due to rising water is excluded, and wind coverage is excluded in coastal areas. Additional policies are available to those who live on the coast or in areas prone to flooding.



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Committed to Your Financial Health

At University Federal Credit Union®, we're working toward a community empowered to make informed financial choices. Here's what we've been working on to help you spend, save, borrow, and plan wisely:

- Opened two new financial centers: Mueller and Trinity
- Added Pre-Order Pickup (POP) services to more locations (see the inside cover)
- Launched our auto loan program for small businesses (page 5)
- Introduced the electronic Vehicle Buyer's Check (eVBC) for a modernized auto-buying process (page 10)
- Expanded our credit card programs to offer more benefits and rewards (page 12)
- Streamlined our Phone Services with one menu for faster navigation and a better experience

And here's a sneak peek at some of what's to come in the near future:

- Two new financial centers: Southpark Meadows and Kyle
- More opportunities for students via our UFCU Scholars programs (page 7)

Thank you for your membership!

