Fresh New Look, Same Great Service

In July of last year, Education First partnered with Loudthought, a Dallas-based branding firm dedicated to serving credit unions. Our goal was to develop a new look and updated logo that would better reflect our vision, mission and values. After many months of hard work, we are proud to announce the debut of our brand new look. We hope you like it!

In addition to the new brand, we have also launched a new website! This new site will provide members with online banking login access from every page, as well as improved navigation, and more useful product and service information. Learn about special promotions, rates and upcoming events in just seconds on the new home page. Brush up on your financial literacy by visiting our Financial Education page. Visit our new site at the same Web address as before: EducationFirstFCU.org.

Snippets

Spotlight on ... 2014 Winter Olympics

Sochi, Russia, the host of the 2014 Winter Olympics, will be the warmest location to ever host the Winter Olympics. With an average February temperature of 42.8 °F, Sochi is often called the “Russian Riviera.”

Valentina Tereshkova, one of the torchbearers for this winter’s Olympics, was the first woman to ever have flown in space.

The Sochi Olympics are the first Olympics (Winter or Summer) to be held in the Russian Federation. The 1980 Summer Olympics held in Moscow were in the former Soviet Union and were not attended by U.S. athletes.

The three official mascots for the 2014 Winter Olympics were chosen by public vote during a live television program in Russia. They are a polar bear, a leopard and a hare.
5 Smart Financial Resolutions

“Manage finances wisely” is a popular New Year’s resolution. But it can be tough to stick to a goal this vague. Here are some specific ways to help you be money-smart in 2014.

1. Maintain an emergency fund. Many financial experts recommend having three to six months’ worth of living expenses in a liquid savings account. Set up automatic transfer to your Education First savings account to help make saving easy, as well as easy to access.

2. Save for retirement. Making regular contributions to an employer-sponsored retirement plan or an individual retirement account (IRA) can make a big difference when you reach your retirement years. Automatic paycheck transfers, if available, can help you stick to this resolution with ease.

3. Pay off debt. If “pay off” seems too lofty, focus on whittling down debt by paying more than the required minimum amount. Refinancing to a lower interest rate (such as for a home or car loan) may also help you pay down debt faster.

4. Build great credit. Making on-time payments and handling credit responsibly will raise your credit score, a number that is considered for a large loan such as a mortgage, or even getting a job or apartment in some cases. Education First’s online bill payer service can help you make payments on schedule.

5. Talk about estate planning. It’s not the most fun topic to think about, but it is important for your family’s future. Make it a goal to talk about estate planning with aging parents and/or your spouse to help you make decisions and form a plan.

Look to Education First for more ways to save, pay off debt, manage loans and prepare for your future. Visit www.educationfirstfcu.org, stop by, or give us a call at 409.893.3770 or 800.456.4684 today.

Negotiate a Better Used Car Deal

Shopping for a car can be exciting but also stressful. For many people the art of negotiating a better price is an unfamiliar process. Here are a few tips to hone your skills so you can negotiate the best price on your next vehicle.

1. **Find out what the car is actually worth.** It may seem like common sense, but before you can start negotiating you need to know what the car you are looking for is worth. A basic understanding of competitive prices is a starting point for a fair purchase. One good resource for finding this value is to check the NADA® value at www.NADAguides.com.

2. **Check the vehicle’s history.** Once you’ve found a fair price for a similar make/model, you need to be sure the vehicle you’re interested in doesn’t fall outside the norm. Sites such as www.Carfax.com offer vehicle history reports where you can verify mileage and check for past damage. Education First will provide a CARFAX report at no cost.

3. **Get an inspection.** A car is a major purchase and used vehicles should be inspected by an independent, certified mechanic. If the seller seems hesitant to allow an inspection it should be taken as a sign that you should proceed with great caution.

4. **Negotiate the deal.** Once you know the vehicle’s worth, it’s time to negotiate. Decide on a range of prices you are willing to pay. Don’t be intimidated by dealers or private sellers, they expect to have some negotiation while selling. Start by offering the seller a realistic low offer. Likely the seller will counter with a higher price but it may be less than the asking price. Be patient and continue counter-offering until you arrive at a price you’re comfortable with.

Now that you have the skills to negotiate the best price on your new vehicle, don’t forget to get preapproved for a low-rate used car loan from Education First before putting your negotiation skills to use.
Qualifying for a Mortgage

How Student Loans Affect You

Whether your high school graduation is just around the corner or you already have a year or two of dorm life under your belt, you may be concerned about student loan debt. It is widely known that many college students end up borrowing money to help pay for their education expenses. You may also wonder if that debt will affect you negatively after completing college.

Here are some considerations to keep in mind as you apply for student loans:

▶ **Minimize the amount of loans you take on.** Student loans are meant to help finance your education, including tuition, school books and transportation. They are not meant to buy pizzas or fund entertainment. You can help control how much you may need to borrow by applying for financial aid, working summers and part time, and living as frugally as you can.

▶ **Pay down your debt consistently.** Student loan payments typically start six to nine months after graduation. By making regular payments – on time each month – you will be building a positive credit history that can help you qualify for additional credit to reach other financial goals.

▶ **Consider future debt needs.** Buying a home for yourself may seem light-years away and you may even think it will be hard to get a mortgage while still carrying student loan debt. However, the opposite may be true – especially for people who make regular student loan payments on time. Because lenders view student loans as positive credit history, if you have not missed any payments, having a student loan shouldn’t hurt you. Lenders will also look at your debt-to-income ratio, the percentage of money you earn that can go toward debt payments.

We’re Here to Help

How you manage your credit history now can affect your finances for years to come. At Education First, we have the financial products – auto loans, credit cards and mortgages – to help you establish valuable credit to achieve your goals. We also have the knowledge and experience to share equally important money management skills with you. Just give us a call at 409.893.3770 or 800.456.4684, or visit us online at www.educationfirstfcu.org to learn how we can help.
Getting married is a big change that often leaves you with big questions about how to handle finances now that you’re no longer on your own. Here are a few tips to navigating the first years of marriage financially.

**Don’t immediately change your lifestyle.** If this is the first time you’re sharing expenses, you may notice significant reductions in things like rent/mortgage, utilities, etc. as they are split two ways. Don’t use this as an excuse to spend much more lavishly than you did just before marriage. Also be sure that you both continue to have your own credit cards to continue to build your individual credit scores.

**Consider saving one salary.** If you do have excess income it can be a great idea to try living off one income if possible. Saving the other income can help with important goals like owning a home, as well as prepare you for the unexpected. This practice can also be beneficial to see what it would be like if only one of you were earning a salary, for instance if one of you chooses to stay at home with children in the future.

**Ramp up retirement savings.** Chances are the first thing you think about after getting married isn’t retirement. But, the earlier you begin saving for retirement, the more prepared you will be when the time comes.

**Evaluate your insurance needs.** Many people skate by on the bare minimum insurance when living the single life. But, once you’re married you have an additional person who may be dependent on you. You will also likely want to look into life insurance if having children or other big events – like buying a home are in your near future.

Enjoy! While there are smart financial moves to be made as newlyweds, remember to focus on enjoying your new life together. Just as you’ll always be there for each other, Education First will be there to support you both through all the exciting new stages of life.
Is Your Will **Up-to-Date**?

You probably get regular maintenance on your car, have routine checkups with your doctor and maybe even do a yearly spring cleaning of your home. But how often do you review your will? Even if you don’t have a lot of assets, a will can be an important estate planning tool for ensuring your loved ones are provided for as you wish. But for your will to do its job, it needs to be kept up-to-date with life’s changing circumstances. A birth in the family, the death of a beneficiary, relocating to another state, divorce and changes in tax law may all affect how well your will carries out your wishes, so make a habit of giving your will a regular checkup, too.

**Keeping It Simple**

If a review of your will reveals that you need to make updates, a codicil may be the most effective method. A codicil is an addition to your will that can add, revoke, qualify or modify the way your assets are distributed. A codicil must follow certain legal forms and be dated, signed, witnessed and attached to your will, but once completed it offers certain advantages, such as:

- **Simplicity.** With a codicil you can amend your will to reflect changes in your life without having to rewrite your entire will.
- **Affordability.** Codicils are typically less time-consuming for an attorney than rewriting and executing a will, which makes them less expensive for you.
- **Convenience.** You don’t have to see the estate planning attorney who drew up the original will. Any attorney can write your codicil.

**While You’re at It**

As long as you’re giving your estate plan a checkup, take a look at the beneficiary designations on your retirement accounts and life insurance policies and make sure the people you have named are the people you want to inherit the money. Beneficiary designations typically supersede any instructions you’ve given in your will. So no matter how well thought out your will or how many codicils you’ve attached, your estate plan will not accurately reflect your wishes if your beneficiary designations are out-of-date.

**As Time Goes On**

As your family grows and changes and you accumulate assets, the annual review of your estate plan may reveal that you need more sophisticated tools to adequately handle your more complex circumstances. A trust may be the ideal solution, offering flexibility, control, privacy and protection of wealth. For more information on trusts and how they can fit into your estate plan, call our trust professionals at 409.893.3770 or 800.456.4684, or learn more online at www.educationfirstfcu.org.

Please note that neither this financial institution nor any of its affiliates give tax or legal advice. Consult your tax advisor regarding your individual circumstances.
The beginning of a new year is a time of commitment to improve. Education First can assist you in establishing healthy money management habits. Daily financial habits help prepare for unexpected expenses or big ticket purchases.

Education First can help you with financial success. Education First empowers financial solutions with education. We can customize personal solutions to help our members achieve success. No other financial institution places such importance on the education of its consumers. Education First is the place where our members’ financial success and education is the top priority.

Our members save hundreds of dollars each year with lower fees and interest rates.

When you have financial decisions to make, arm yourself with information to assist in decision-making. We help consumers every day who are planning to purchase a home or vehicle, planning for retirement or college education, and many other important financial decisions.

Education First remains dedicated to the financial well-being of our member-owners. We are truly a local, financial cooperative and we are as strong as our members’ investment in us.

Jimmy Lackey
President and CEO

By the Numbers

Thanks to prudent management and responsible lending practices, Education First is in a strong financial position to continue serving the needs of our member-owners for years to come.

**Assets**
$319,033,494

**Capital**
$34,504,163

**Member-Owners**
33,000