

July 2020

## Expert Tips to Help Make Your Finances RECESSION PROOF

With economic uncertainty ahead of us, it's never too soon to ensure that your finances are well-equipped to weather any storm. With these simple tips, you can start fortressing your finances to face whatever the future may bring.



**Pay down debt.** Start creating some breathing room in your budget by paying down debt and prioritizing the highest-rate debt, such as credit card balances.

**Boost emergency savings.** Focus on first loading up your emergency fund with one month's worth of living expenses. Then, work on building a reserve of three-to-six months' worth of funds.

**Identify ways to reduce expenses.** Comb through your expenses to determine which ones are necessities and which are discretionary. Work on eliminating any unnecessary expenses and identify which ones you could eliminate if the need arises.

**Live within your means.** If you're spending more than 30% of your income on discretionary items, it's likely time to reevaluate your budget and ensure you're living within your means. Use TRENDS tool in our online banking to help!

**Continue building up skills.** One of the best things you can do is make yourself more employable in the event of a job loss. Focus on making sure you've got the right training, skills and education to help land a new job should the need arise.

*Holiday Closings*

**INDEPENDENCE DAY**  
Saturday, July 4

**LABOR DAY**  
Monday, September 7

## Credit Unions are Financial First Responders — We are Here for You

At the beginning of the pandemic, credit unions were classified as an essential business. We have remained open, with modifications, to serve you. As we continue to navigate the ongoing changes, one thing stays the same; our commitment to keep you connected to your finances. We are thankful and applaud the employees of Connects who come to work every day to honor that commitment. As we have through many other challenges, we will persevere, we will stay connected, we will serve.

**There's always a way to connect  
with your Connects accounts!**

**Online Banking • Mobile Banking • Mobile Deposit  
Online Loan Applications • Online Check Reorders  
Night Drop • Drive-Thru • Telephone Banking**

If you need in person service, we are glad set an appointment. We can set an immediate appointment or schedule one in advance.

**Chesterfield**  
804-674-8000

**Hanover**  
804-427-5185

**Henrico**  
804-756-5000

We wish for all of our members; health, safety, peace of mind and financial success. Let us know how we can help.

## Tackle your Summer Projects

Home improvement projects aren't always cheap, but that doesn't mean they're out of reach. Our Home Equity Loan options provide a simple way to turn your home's equity into cash for summer projects of every type and size.

**Home Equity Loan** – A fixed-rate Home Equity Loan is a great choice if you need the entire amount at one time. Home Equity Loans advance all of the money at loan funding, and you pay the money back over the established term of the loan.

**Home Equity Line of Credit (HELOC)** – With a HELOC, you can advance money, up to the credit limit, at any time, which can be useful if you expect to have ongoing expenses over a period of time, such as payments to contractors as they finish their part of a job.

Visit [www.connectsfcu.org](http://www.connectsfcu.org) for current rates and application information.





# 69th Annual Meeting POSTPONED

Due to the continued state-mandated restrictions on social gatherings, the Annual Meeting that was rescheduled for June 11th is now POSTPONED to a date, time and place that is to be determined at a later date.

We regret that we have not been able to get together to celebrate our credit union entering its 70th year as a member-owned financial cooperative, serving members and their families in RVA. As we look at our options, we may alter the structure of the event in order to keep staff and members safe. We will provide the details as soon as possible. If you have purchased tickets already, we will contact you directly.

## Be on Alert for **Coronavirus Scams**

Coronavirus scams come in many forms, each with the upshot of taking your personal information and your money. Below are three common types of scams to watch out for as scammers try to bilk the well-intentioned or uninformed of their cash.

### **Fundraising calls or emails seeking money for coronavirus victims or disease research.**

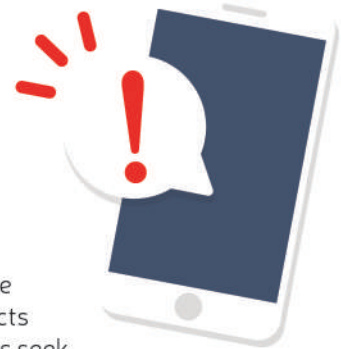
Especially avoid such communications when they pressure you into acting fast, request payment by prepaid debit cards or gift cards, or request personal information.

### **Coronavirus-related vaccines or cures.**

Don't take the bait – they aren't legitimate!

### **Bogus investments.**

Be wary of "investment opportunities" related to the coronavirus and online promotions claiming products that can prevent, detect or cure coronavirus. Always seek professional advice when considering stock purchases.



## Mortgage Rates are Down.

### IS REFINANCING RIGHT FOR YOU?

Mortgage rates have been driven in a downward direction, prompting homeowners to take advantage of those rates by refinancing. If you've been considering whether a refinance is right for you, Connects Federal Credit Union is here to help. Simply bring us your current mortgage and we can help you determine whether refinancing fits your needs.

#### **THE BENEFITS OF REFINANCING:**

- Potentially lower your monthly payment without paying a lump sum toward the principal of your home loan
- Shorten or extend your mortgage term
- Swap an adjustable rate mortgage for a fixed term

#### **THE DISADVANTAGES OF REFINANCING:**

- It could take years of payments before breaking even on the cost of closing fees
- Your equity could be reduced if you roll closing costs into your mortgages

#### **CONSIDERATIONS:**

- Familiarize yourself with current rates before shopping around for a home loan
- Read any refinancing good-faith estimates closely to choose the best deal among proposals
- Try to reduce your current mortgage rate by a full point to offset the cost of closing on a new mortgage

Visit [www.connectsfcu.org](http://www.connectsfcu.org)  
for current rates and  
mortgage options for  
credit union members.

[www.connectsfcu.org](http://www.connectsfcu.org)

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7700 Shrader Rd.  
Richmond, VA 23228

**HANOVER/MECHANICSVILLE**  
9280 Chamberlayne Rd., Suite 100  
Mechanicsville, VA 23116

**CHESTERFIELD**  
9960 Midlothian Turnpike  
North Chesterfield, VA 23235



This credit union is federally insured by the  
National Credit Union Administration.

Connects Federal Credit Union, a member-owned financial cooperative exists to provide professional, economical and convenient quality services while maintaining financial stability. In order to be the primary financial source, we will safeguard member assets with continued growth to meet member needs.

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