

Fall 2022



# COMMONCENTS



## HOW TO NAVIGATE A RISING RATE ENVIRONMENT

### Holidays & Events

**Indigenous Peoples' Day**  
Monday, October 10

**Veterans Day**  
Friday, November 11

**Thanksgiving**  
Thursday, November 25

**Christmas**  
Monday, December 26

**New Year's Day**  
Monday, January 2

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# HOW TO NAVIGATE: A RISING RATE ENVIRONMENT

It is no surprise that interest rates have been increasing in the past few months, shifting people's financial mindset. With rate increases, how best can you leverage your financial situation?

The Federal Reserve, which was founded by an act of Congress in 1913, was established for several reasons. Still, one of the primary goals was to make the American banking system more stable and focus on employment and inflation. In recent years, inflation has increased significantly. One of the ways the Federal Reserve can control inflation is through the adjustment of the prime rate. In 2022, the Federal Reserve has increased rates several times (March 17th 0.25% increase, May 5th 0.50% increase, June 16th 0.75% increase, and July 28th 0.75% increase). Some economists are predicting additional increases still to come in 2022 and into 2023.

A rising rate environment can have some benefits. Consider that deposit rates will also increase (often slower to take effect than loan rates). This means that your savings account, checking account, money market, and other deposit accounts could begin to pay a higher dividend. These accounts offer flexibility to add and withdraw funds as needed.

TAPCO provides investment products such as Certificates of Deposits, which often pay a higher dividend but require a time investment to receive the full dividend benefit. If the funds are withdrawn early, a penalty fee may be assessed. Certificates of Deposits vary in terms, but the most common are 12, 24, and 30 months. In addition, the minimum requirements vary on certificates, but many can be open for as low as \$500-\$1,000. Certificates of Deposit are a great option to secure a higher dividend on funds you might not need in the near future.

As you consider saving for retirement or children's education expenses, an Individual Retirement Accounts (IRAs) might be worth consideration. At TAPCO, you can choose from Traditional, Roth, or Coverdell Education Savings Accounts or an IRA Certificates of Deposit. IRAs are an important savings tool that can supplement your employer-sponsored 401(k) program and provide important tax benefits. Check with your tax professional for the current year's IRA contribution limits.

Take time to review your current finances and consider consulting with a financial advisor who can educate you on your options. TAPCO team members are always available to discuss your goals and opportunities. Call us at 253.565.9895 or stop by one of our locations to make an appointment.

## END-OF-YEAR: FINANCIAL HEALTH CHECK-UP

As the eagerly awaited holiday season gets underway, the end of the year is a great time to get a financial health check-up to make sure your finances are on track. With regular checkups, you can fix small problems before they become big issues.

Keeping financially healthy is especially important due to many economic uncertainties related to inflation, inventory shortages, as well as the expiration of COVID relief programs put in place more than a year ago to help people manage through the pandemic.

### YOUR FINANCIAL HEALTH CHECK-UP

Like a physical health check-up, a financial check-up examines your vital signs to be sure all is well when it comes to your financial health and wellness.

Do you have an emergency savings? How do your credit card balances look? Are you tracking monthly income and expenses? What does your credit score and history look like? These are a few of the vitals reviewed during an end of year financial check-up.

From an overall budget review to managing credit card debt, the caring, the Certified Financial

Counselors at TAPCO will conduct a full review of your current financial fitness and provide recommended next steps for improving your financial health.

### A FINANCIAL CHECK-UP GUIDE

#### Review Your Financial Goals

Has there been a significant life change this past year? A change in jobs, a marriage, divorce, home purchase or other big change can affect your overall financial picture. A check-up is a good time to assess whether your current financial goals sync up with your overall situation.

#### Understand Options to Move Forward after Relief Programs Expire

Loans that were deferred as part of COVID-related relief programs need your attention. Deferments provided borrowers with a little breathing room, and now that the temporary pause in payments has expired, a checkup is a good opportunity to understand options, and take a closer look at not only any loans that were on pause, but also your entire financial picture.

#### Manage Income & Expenses

One of the best ways to cope with inflation is to take the time to prioritize monthly spending. A spending plan helps to ensure what you

spend doesn't exceed what you make each month as prices rise. A financial check-up gives you a better understanding of your income and expenses. It can also be a time to set a spending plan to keep your finances on track and start saving for future goals.

#### Pay Down Debt

A check-up is a good time to explore options to help you pay down credit card debt as well as options for managing other debts that may be on the horizon – such as expiring forbearances on mortgages or student loan payments.

#### Assess Your Credit

Are you looking to take out a mortgage or make another large purchase in the new year? A check-up is a great time to review your credit report to see where you stand, and get tips to improve your score moving forward.

### YOUR CHECK-UP STARTS HERE

Your financial fitness is key to a healthy new year. TAPCO's caring, certified financial counselors are committed to easing financial stress and worry through access to clear information.

Connect with a TAPCO financial counselor for your checkup to gain confidence over your money choices during a time of inflation or shortages.



## Questions about your FINANCIAL HEALTH?

Schedule an appointment with one of TAPCO's Certified Financial Counselors today to review your individual financial goals. Together, they will work with you to understand your current situation, explore your financial goals, and help you develop a plan.

Contact us at **253.565.9895** to make an appointment today.

# Summit CERTIFICATE

Bring your savings to new heights

Earn up to  
**2.78% APY\***

Put your savings to work with a High-Yield Certificate. Available on new funds to TAPCO only. Visit your local TAPCO branch or call 253.565.9895.

[TAPCOcu.org/Summit-Certificate](https://www.TAPCOcu.org/Summit-Certificate)

\*APY=Annual Percentage Yield. APY is effective as of 9/15/2022 and subject to change without notice. \$1,000 minimum opening deposit and minimum to earn APY. A penalty may be imposed for early withdrawal. Special rate is only for new funds to the credit union. Fees may reduce earnings on account. Current TAPCO funds on deposit do not qualify for certificate special. TAPCO CU, at its discretion, can end this promotion at any time. Cannot be combined with any other offer or promotion. Promotional CD TIS Disclosure can be found at [TAPCOcu.org/Disclosures](https://www.TAPCOcu.org/Disclosures).

ONLY FOR A  
LIMITED TIME!

Access your TAPCO  
account from more than  
5,000 Shared Branching  
locations nationwide



- Deposits
- Loan Payments
- Withdrawals
- Cashier Checks
- Transfers
- Money Orders

Visit [www.TAPCOcu.org/Locations](https://www.TAPCOcu.org/Locations)  
to find a Shared Branching location near you.

## 2022 SCHOLARSHIP Program

This spring, TAPCO will award a minimum of five (5) \$2,500 one-year scholarships to graduating high school seniors, current college or vo-tech students to assist with post-secondary education.

### SCHOLARSHIP APPLICATIONS ARE AVAILABLE NOW!

To apply, please complete the application at  
[TAPCOcu.org/Scholarships](https://www.TAPCOcu.org/Scholarships)

For more information about TAPCO's  
scholarship program, please contact us.

**253.565.9895**  
[Marketing@TAPCOcu.org](mailto:Marketing@TAPCOcu.org)



## Make a Difference AT TAPCO

TAPCO is accepting applications for three positions (incumbents are eligible for reelection) on the Board of Directors and one position (incumbents are eligible for reelection) on the Supervisory Committee. Application forms are due to the Main Branch by Monday, October 31, 2022.

All positions have a three-year term and candidates will be elected by a vote of the members in January 2023. Results of the election will be announced at the Annual Meeting in March 2023. Elected candidates will take office in April 1, 2023.

TAPCO members who are interested in the above-mentioned positions should contact the Marketing Department for an application form.

**TAPCO MARKETING**  
[Marketing@TAPCOcu.org](mailto:Marketing@TAPCOcu.org)  
**253.565.9895**

6312 19th St W  
Tacoma WA 98466

### SECURITY REMINDER

This is a friendly reminder to ensure your contact information is up to date at TAPCO, including your address, email, and mobile phone number in order to receive timely account security alerts. To update your information, visit a branch or call 253.565.9895.

**CONNECT WITH US** For Member Updates, Community Announcements & Event Information

/TAPCOCreditUnion @TAPCOcu @TAPCOcu **LOCAL** 253.565.9895 **TOLL FREE** 800.345.7183 [TAPCOcu.org](https://www.TAPCOcu.org)

For more information on our branches and locations go to [TAPCOcu.org/Locations](https://www.TAPCOcu.org/Locations)



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