



## Message from the President

Vincent Rojas, Jr.  
President/CEO

Kern Schools Federal Credit Union believes in **"Member Service."** This is a mantra that echoes through our organization. Although we have grown to over 130,000 members, we have still maintained strong member service. Service is critical and is what sets us apart from our competitors. In today's competitive financial services, environment, price, product and convenience are more similar than ever, wherever the member goes. There is virtually no discernable difference our Credit Union can look to which will create and keep members, except for the service we provide. Kern Schools thrives on providing the **"highest quality service"** in the marketplace and improving the financial well-being of our members and the community. Kern Schools provides a training program that every employee must complete. This training program instills a member-centered mindset that empowers our staff to become dedicated to bettering the financial lives of our members. **"Member service is the vital employee-member connection."** We want our members to view our Credit Union as their primary financial institution.

We also have **"a commitment to perform."** We continually provide low/no fees, good rates, personal service, a variety of delivery systems, and a range of product choices, convenience, and quality. KSFCU focuses on what the member wants and strives to make each experience a positive one, every time a member comes into a branch or uses one of our products or services. Our commitment at Kern Schools Federal Credit Union is to build a lifetime financial partnership with our members. Yes, **"Together, we have something special."**



*"Together, we have something special."*

# Common Cents

October 2003

## No Fee Home Equity Loans

**Home equity loans** have always been among the most affordable ways for homeowners to meet their financial needs. Whether you've been actively shopping around for a home equity loan or simply considering ways to consolidate debt or pay for a large purchase, you should consider the advantages of a KSFCU **Home equity loan:**

- No Application Fee
- Flexible Terms
- Great Rates
- Borrow up to 100% of the value of your home

### How a home equity loan works for you.

You can use the funds from a home equity loan to help pay for home improvements, education expenses, vehicle purchases, vacations or other large expenses. A home equity loan also can be an effective way to consolidate high interest credit card debt.



The interest rates for home equity loans are significantly lower than most credit card interest rates.

In addition, the interest you pay on your home equity loan may be tax deductible. (Consult your tax advisor to determine the possible tax advantages.)

For additional information stop by any branch today or call **(661) 833-7900** or **(800) 221-3311**.

Offer subject to credit approval. \*No fees for standard closing costs which include application fee, drive-by appraisal, title fees, document fees and flood certification.

## Help Kids Learn While They Earn



Do you have teenagers who worked this past summer? Encourage them to:

- set aside a portion of their earnings (e.g. 10%). A fifteen year old who starts contributing \$1,000 annually to an Individual Retirement Account will have almost \$600,000 by age 65.\*
- learn from spending mistakes. Let your kids know you won't bail them out if they overspend. In true emergencies, when borrowing is necessary, set up a formal repayment plan.
- keep a balanced checkbook and set up a simple record-keeping system for personal expenses. Visit financial institutions together and compare the costs and features of different accounts.
- practice the "rule of three" before spending hard-earned cash. That is, comparison shop at least three different places for major purchases, such as auto insurance.

\*This example assumes a modest 8% average annual return, which is hypothetical and does not represent the return of any specific investment.

# Individual Retirement Account PLAN for TOMORROW

An Individual Retirement Account (IRA) is an excellent tool for retirement savings. Unlike most investments, depending on the type of IRA you choose, contributions may be tax deductible and will grow either tax-deferred or tax-free.

A Coverdell Education Savings Account (ESA), formerly Education IRA, is a great way for parents, grandparents and others to help meet the rising costs of a student's education.

## Recent tax law changes have made IRAs and ESAs even better.

### TRADITIONAL IRA

The annual contribution limit is \$3,000 in 2003 and 2004. It increases to \$4,000 in 2005 and \$5,000 in 2008. After 2008, the contribution limit will be adjusted annually for inflation in \$500 increments. The annual limit applies to any combination of IRA plans other than the ESA. Contributions are fully tax deductible if you are not an active participant in an employer retirement plan, otherwise phaseout rules apply. Investments grow on a tax-deferred basis. Earnings are taxed only upon withdrawal.

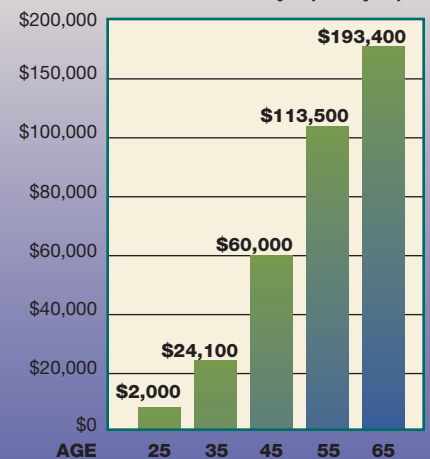
### ROTH IRA

As long as you have earned income, you can establish and contribute to a Roth IRA even after age 70 1/2. While contributions are not tax deductible, contributions and earnings can be withdrawn tax-free, and

unlike traditional IRAs, you are not required to begin taking required minimum distributions after reaching 70 1/2. By converting your traditional IRA to a Roth IRA, you can enjoy tax-free withdrawals. However, the amount you convert is subject to income tax now.

## How Your IRA Can Grow

The performance of a \$2,000 a year retirement investment plan over time at 4% shows the value for saving early and regularly.



### EDUCATION SAVINGS ACCOUNT

The annual contribution amount has been increased from \$500 per beneficiary to \$2,000 per beneficiary.

While there is no tax deduction for amounts contributed to an ESA, earnings grow tax-free. And your ESA can be used to pay qualified elementary school and secondary school expenses as well as those for higher education.

### CATCH-UP CONTRIBUTIONS

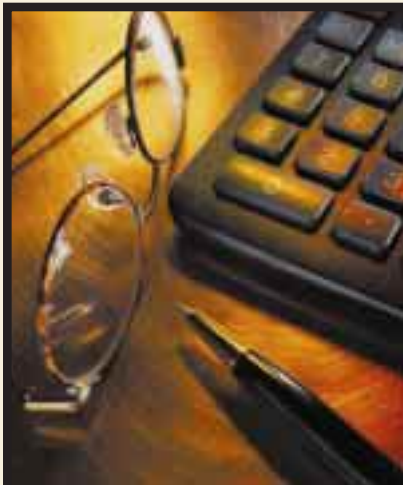
Individuals who have reached age 50 will be able to make additional catch-up contributions of \$500 per year to their traditional or Roth IRA. For taxable years beginning in 2006, the additional catch-up amount increases to \$1,000.

Contact us today to learn more about today's IRA!

## Summer Pay Program for 10 Month Employees

School employees who would normally receive 10 paychecks must enroll now in the "Summer Pay" program to have their earnings distributed over a 12 month period. The "Summer Pay" program ensures that you will have a pay check in July and August to cover your expenses. Members who are currently in the "Summer Pay" program and have had a change in salary, please be sure you have the adjustment made with the Credit Union in order for your "Summer Pay" to work effectively.





# Investment and Financial Services

## Put your money to work

- Tax-Deferred Annuities
- Stocks
- Traditional IRAs
- Account transfer
- Advisor assisted trading
- Bonds
- Tax-Free Municipal Bonds
- 410K/403B/457 Retirement Plans
- Mutual Funds
- Roth IRAs
- College Planning
- Self-directed trading

Let KSF Investment Services, LLC, through our broker dealer CUSO Financial Services, LP, help you set goals and plan for your future. Whether it's college funds, retirement planning, income or capital growth, we're here for you.

For specific tax advice, consult a qualified tax professional.

*"Together we have something special."*

Call us today at  
**(661) 833-7730** or  
**(800) 217-1575**  
 today to schedule an appointment at any one of Kern Schools Federal Credit Union's branches.  
 Visit us at  
**[www.ksfinvestments.com](http://www.ksfinvestments.com)**



**Kern Schools Financial Services, LLC**  
 A wholly owned subsidiary of KSFCU  
*Investment services offered through CUSO Financial Services, L.P. (CFS), Member NASD/SIPC*

## Transfer or Open a Brokerage Account

### Contact us regarding:

- Tax deferred annuities
- Stocks/Bonds/Mutual Funds
- Monthly Income Stream
- Tax-Free Municipal Bonds
- Traditional and Roth IRAs
- 401A/403B/457 Retirement
- 529 College Savings Plans
- Transferring your existing Accounts

**Call to schedule an Appointment**  
**661 833-7730 / 800 217-1575**

**CRAIG MAYTUBBY**, Covering Ming, Mt. Vernon, Panama & Delano

**CAROL CAMP**, Covering Ming, River Run & East Hills

**DOUG McDANIEL**, Covering Town & Country, Downtown, Ridgecrest & Tehachapi



## Meet KSF's Newest Representative

**Doug McDaniel**  
 Financial Advisor

Doug graduated from the University of Southern California with a degree in Finance with an emphasis in Financial Instruments and Investments.

He recently joined KSF Investments after he moved to Kern County from Los Angeles. Doug's work experience comes from being an equity trader for 8 years with a large financial institution. His strengths include a vast knowledge of financial instruments and markets. Through his experience and know how, KSF Investments has added a financial savvy registered representative. Doug is here to help promote financial service for Kern Schools Federal Credit Unions expanding member base.

Doug is available at the Town & County, Downtown, Ridgecrest and Tehachapi offices of Kern Schools Federal Credit Union. He can be reached in Bakersfield by calling **(661) 833-7739**, Tehachapi **(661) 822-6798** or via email at [dmcdaniel@ksfsoi.com](mailto:dmcdaniel@ksfsoi.com)

Securities offered through CUSO Financial Services, L.P. (CFS) are not NCUA/NCUSIF insured, not Credit Union guaranteed and may lose value. Kern Schools Financial Services, LLC (KSF), a wholly owned subsidiary of KSFCU, is in partnership with CFS. Financial Advisors are employees of KSF and registered through CFS. For specific tax advice please see a qualified tax professional.

## Have you Checked your Current Auto Insurance Rates?

Rates for the same coverage can vary greatly between insurance companies. Unless you compare your current policy you will not know if you are paying too much. **California Insurance Specialists** represents many national and regional insurance companies, which allow them to "shop" the competition for you and save money.

### What can you do to help reduce the cost of your automobile insurance?

- Take advantage of the discounts that you may qualify for. Many carriers provide discounts for teachers with California certifications or other professional designations. If you are a youthful driver, a good student discount will also save you substantially.
- Consider increasing the deductible on your collision and comprehensive limits.
- Many of their carriers will give you additional discounts if you insure both your home and car with them.
- Keep your insurance coverage in force. Some companies will provide additional discounts for maintaining continuous coverage.
- Drive safely, one driving infraction will usually not prevent you from receiving many of the good driver discounts offered, but multiple infractions or more serious violations will cost you now and for years to come.
- If shopping for a new car, consider the insurance costs before you purchase. Some models may be more expensive to insure because of high theft rates, or poor performance in crash tests. A factory installed anti-theft device or recovery service, may help to lower the cost of insurance.

**California Insurance Specialists** represents companies that will meet your auto insurance needs no matter what your circumstances or driving record.

Take advantage of their free, no-obligation rate quote comparison. Call for a free quote or go to our website at [www.ksfcu.org](http://www.ksfcu.org) for our link to insurance.

**California Insurance Specialists**

Toll free (888) 831-0247

License No. 0B33273

## Holiday Help is on the Way



You could Win access to **Personal Helper** services plus \$20,000 to get all the help you need!

Imagine receiving help with housecleaning, cooking, gardening, travel planning, flower arrangements, and much more. It's the perfect gift: extra time and extra funds!

Every time you make a purchase using your Kern Schools Federal Credit Union Visa® card from November 1 through December 30, 2003, you'll be automatically entered to win access to **Personal Helper** services plus \$20,000!\*

Use your Kern Schools Federal Credit Union VISA® card everywhere you see the Visa® symbol.



Contact the Credit Union for more information  
(661) 833-7900 or (800) 221-3311.  
[visa.com/holiday](http://visa.com/holiday)  
(800) 230-1300

\*Winners will receive \$20,000 and access through 12/31/04 to the Visa Personal Helper service, a concierge provider giving access to various products and services. Winners will be responsible for the purchase of any product or service. Complete rules available upon request.

See 2 million lights

Josh Bauer's  
*Lightasmic!*

CALIFA  
CALIFORNIA LIVING MUSEUM

Nov. 28 - Dec. 30

Tickets available at Vantix

# Christmas Club

It's not too early to start thinking about next year's holiday expenses, and it's not too late to join our Christmas Club Savings Account! Christmas Club Savings Accounts earn the same high dividends as our regular savings, and you will automatically receive your check in plenty of time to do your shopping. Ease your mind a lot by saving a little each month with a convenient Christmas Club Savings account at Kern Schools Federal Credit Union!



The ribbon cutting was held Thursday, September 18th and the Celebration of the full-service branch took place Saturday, September 20th. Members were treated with hot dogs, cake, give-a-ways, raffle prizes and a live remote with Radio Disney.

# East Hills



## Ribbon Cutting & Celebration

The grand opening event was a total success! Members came out to show their support Saturday, September 20.

Left: Rocky Raccoon and friends.

Ribbon cutting for the new full service branch located at 2671 Oswell St. in northeast Bakersfield.

From left to right: David King, East Hills Branch Manager; Harvey Hall, Mayor; Vince Rojas, President; Vicki Brown, Mt. Vernon Branch Manager.



## Board of Directors

Dr. Bill Williams	Chairperson
Mike Kileen	1st Vice Chairperson
Dr. Bill Bruce	2nd Vice Chairperson
Jeannine Thompson	Treasurer
Joanne Mills	Secretary
Dr. James Fillbrandt	Director
Dr. Larry Reider	Director
Mary K. Zwartendyk	Director
Marilyn Jones	Director
Bryon Schaefer	Director
Dr. Cecil Briscoe	Director

## Supervisory Committee

Curtis H. Kennedy	Chairperson
James C. Dunn	Member
Jim Sheats	Member
Carl D. Woody, Jr.	Member

You'll find us on the Web at:  
[www.ksfcu.org](http://www.ksfcu.org)



## Branch Locations

### Bakersfield

2424 Chester Avenue  
 6101 Coffee Road  
 4530 Ming Avenue  
 3901 Mt. Vernon Avenue  
 2671 B. Oswell St.  
 5001 Panama Lane  
 8200 Stockdale Highway, Suite P

### Ridgecrest

1621 North Downs Street

### Delano

1101 Cecil Avenue

## Office Hours

**Monday through Thursday** - 9am to 5pm  
**Friday** - 10am to 6pm  
**Saturday** - Ming, Mt. Vernon, Oswell, Panama, River Run, and Town & Country Offices - 9am to 1pm

## Express Branch:

Bakersfield - 4616 California Ave.  
 Monday through Friday 10am to 6pm



# Common Cents

4530 Ming Avenue  
Bakersfield, CA 93309

RV & Auto Sale

Great Rates!

'02 Models or Newer

## It's Time for a New Toy!

### Drive it Today!

**RATES AS LOW AS**

3.75%

APR for up to 84 months

**Used Autos**

**RATES AS LOW AS**

4.75%

APR for up to 84 months

**Rates valid through October 31st!**

Fixed Annual Percentage Rate for new up to 100% financing for up to 84 months based on purchase price, tax and license included. New rate for vehicles with 18,000 miles or less. Up to 84 months for used with up to 100% financing of high Blue Book or purchase price, whichever is less, tax and license included. Actual rate is based on your credit qualifications.



## Other ATM Locations

- ▶ Apple Market in Shafter
- ▶ Bakersfield College Bookstore
- ▶ The Condors Closet
- ▶ City of Shafter - 341 Center Ave.
- ▶ County Fair Market in Lamont
- ▶ Delano Regional Medical Center
- ▶ Doubletree Inn - Camino Del Rio Ct.
- ▶ Holiday Inn Select
- ▶ Kern County Airport
- ▶ Kern County Court House
- ▶ Kern County Fairgrounds (inside the Main Gate and in the Satellite Wagering Building)
- ▶ Kern Medical Center Cafeteria
- ▶ The Market Place (in Kiosk)
- ▶ Memorial Hospital - 34th Street (in the main lobby)
- ▶ Mercy Hospital - 400 Old River Road
- ▶ Rainforest Car Wash - 9301 White Lane
- ▶ Rosewood Retirement Center
- ▶ San Joaquin Community Hospital
- ▶ Sequoia Sandwich Shop - Rosedale Hwy.
- ▶ Superintendent of Schools Office  
1300 17th Street
- ▶ Taft - 1056 W. Kern Street - Taft Hills Plaza
- ▶ Tehachapi Towne Center

## Phone Numbers

Communication Center -  
Monday thru Friday, 8am-8pm  
and Saturday, 8am to 4pm

Other Areas Nationwide (661) 833-7900  
Data Voice/Bakersfield (800) 221-3311  
Data Voice/in other areas (661) 831-5900  
(800) 248-3336

VISA® 24-Hours a Day (800) 654-7728  
KSF Investment Service (661) 833-7730  
KSF Insurance Service (661) 397-3944  
Home Loan Center (661) 833-7926

## COMING SOON! KSFCU Annual Meeting

Plan to dine with us at the  
**KSFCU Annual Meeting,**  
**Thursday, March 25, 2004**  
**at the Double Tree Hotel.**

Last year's Annual Meeting SOLD OUT in 4 weeks! Reservation forms will be published in the next issue of Common Cents.

## NOMINATIONS for Board of Directors

The 2004 Nominating Committee will be calling for recommendations for the **KSFCU Board of Directors.** Watch for announcements regarding officers in the December issue of Common Cents.