

# CREDITLINES

OUR MISSION: "IS TO PROVIDE MEMBERS WITH THE BEST ASSISTANCE  
AND SERVICES TO MEET THEIR FINANCIAL NEEDS."

## *2021 Scholarship Recipients*

Congratulations to our 10<sup>th</sup> Annual Scholarship Program recipients; Leonila Fulgencio of Kauai High School, Braelyn Cayaban of Waimea High School and Jeslie Ann Pavao of Kamehameha Schools Kapālama High School.

Leonila plans to attend California State University at Long Beach with aspirations of studying nursing, Braelyn will be attending Colorado College and plans to study Molecular Biology while Jeslie Ann will be attending University of the Pacific and plans to study Speech Pathology.

Keep reaching your goals and we wish you the very best in all your future endeavors in life!



## Post Pandemic Financial Advice



The COVID pandemic is and continues to be a defining period of our lives. Among its many effects, it caused all of us to take a hard look at how we live our lives, including the way we spend our money.

Quarantine kept many of us at home, preventing us from spending as much as we usually did for things like entertainment and travel. Many people lost their jobs or were furloughed, forcing them to reduce their expenses. One clear effect was that those emergency funds fared better than those who did not have them.

We all look at least few moments to evaluate and reassess the things we believed were important to us. For example, many people realized that the things they used to consider “needs”, like expensive shoes, eating out every day, or having the latest cellphone, suddenly weren’t as important to them. Those things were simply “wants”, or “nice to haves.” We learned we could

get by with a less expensive way of life.

If you did manage to save some money, what did you do with the extra cash? Hopefully, you used it to create some financial security, like pay down debt, open a retirement fund, or boost your emergency fund.

There’s a chance that when the pandemic is history, some people may revert to their old spending habits, indulging in all their “wants” again. That would truly be a waste of the lessons we’ve learned. Instead, try to continue spending as mindfully as you have during the pandemic.

- 1. Make a commitment to save each month.** Pay your emergency and retirement funds first. If you haven’t created accounts for either one, then start them now. To make saving easier, use automatic transfers to deposit funds into those accounts after your paycheck is deposited. Try to save 20% of your monthly income.
- 2. Pay off credit cards.** Then make sure you only spend as much as you can comfortably afford - that *doesn't* mean your credit limit. Ideally, you want to pay the total in full at the end of each month, so you don’t accrue interest charges.
- 3. Get clear on what your “needs” and your “wants” are.** A lot of people have trouble with this, but it isn’t difficult to figure out. “Needs” are things you need to survive - groceries, housing, utilities, health insurance, transportation. These expenses should amount to 50% of your expenses. Everything else is a “want” - dining out, entertainment, vacations, etc. That should take no more than 30% of your expenses.

Garden Island Federal Credit Union is right here with you, ready to help you get your post-pandemic finances in order. If you would like to open a savings, money market or share certificate account, check out our website at <https://www.gardenislandfcu.com/savings-rates> or contact us at [info@gardenislandfcu.com](mailto:info@gardenislandfcu.com) or (808) 245-2712.

Sincerely,

A handwritten signature in black ink that reads "Sham Cooper". The signature is fluid and cursive.

President/CEO

# FINANCIAL EDUCATION

## Tempted by Low Balance Transfer Rate?

Tempted by Low Balance Transfer Rate? Get a Garden Island Federal Credit Union credit card instead!

If you are one of the millions of consumers carrying credit card debt, you may be looking at balance transfer offers. Some credit card issuers even offer enticing zero-interest promo periods for up to 18 months. However, after the promo period ends, card rates can rise substantially.

With a household average of \$7,849 in credit card debt, many consumers could save as hundreds of dollars in interest by transferring balances from high-to-low-rate cards. However, there are a few important details to keep in mind before switching.

For one, fee-free transfers are rare. Most of the zero-interest offers charge at least 3% of the amount you transfer and some charge more. For example, a 3% transfer means you would pay \$150 to transfer a \$5,000.00 balance.

A smart balance transfer can help you pay off debt at lower interest rates, but only if you have the discipline and the cash to pay off the balance as soon as possible. Instead of being tempted by a low transfer rate which quickly can skyrocket, your best bet might be to simply apply for a low-interest credit union card.

Here are some other things to consider in a credit card balance transfer:

**How can I avoid paying high interest on the transferred balance?** Pay the balance in full before the promotional period ends to avoid paying high interest rates when the offer expires. If you make only the minimum payment and continue to carry a balance, or to add to the balance with purchases and cash advances, you will just perpetuate a cycle of debt.

**Is everyone eligible for a zero-percent offer?** No. Card issuers offer these sweet promotions to borrowers with exceptional credit.

**Can I transfer other debts to a credit card?** Some cards allow balance transfers of other types of debt, for example, car loans and even mortgages, as well as credit card debt. Credit card debt typically counts more on your credit score because it isn't secured by collateral, so the shift could have a harmful effect on your credit standing. Car and home loans are available at far lower rates than credit cards, so it makes little sense not to transfer the debt.

Make sure you also address your reason for being in debt in the first place. Beware of using the transfer as an opportunity to take on more debt.

In the end, you are wise to shop around for the best sustainable rate on any loan. Garden Island Federal Credit Union is your smartest choice. Our VISA® Gold and Classic credit cards have no annual fees and no balance transfer fees. Best of all, it has a CURewards® program where you earn points with every swipe. Apply online at [www.gardenislandfcu.com](http://www.gardenislandfcu.com) or call today at (808) 245-2192.



## CONTACT US

### EMAIL

info@gardenislandfcu.com

### WEBSITE

www.gardenislandfcu.com

### LĪHU'E BRANCH

2973 Kele Street

Līhu'e, HI 96766

(808) 245-2712

### KŌLOA BRANCH

3417 Po'ipū Road

Kōloa, HI 96756

(808) 742-6733

### LOAN DEPARTMENT

loans@gardenislandfcu.com

(808) 245-2192

### STATISTICS AS OF

APRIL 30, 2021

Total Assets: \$116,221,338

Total Shares: \$100,689,528

Total Loans: \$38,437,677

Members: 7,195

The credit union is federally insured by the National Credit Union Administration. We do business in accordance with Federal Fair Housing Law and the Equal Opportunity Act.



*Garden Island FCU provides financial services to any person who lives on Kauai. Garden Island FCU has made every effort to present the information in this issue as comprehensive and factual as possible. The credit union makes no warranties and assumes no responsibilities for accuracy or completeness of the information contained herein. The credit union reserves the right to make changes at any time and without notice on information provided in this issue. Please call the credit union at (808) 245-2712 for current information on savings and fees and (808) 245-2192 for current information on loans.*

Stay connected

@gardenislandfcu



## SERVICE FEATURE



# Bill Pay

## Simplify money management!

Pay bills without having to write checks or envelopes to mail. That's good news for you and the environment!

Paying bills electronically means no risk of mailed checks getting lost or stolen. Plus, you can stop worrying about missing a bill payment when you set up reminders and automated recurring payments.

Save time, save money, stay organized and gain peace of mind with our FREE Bill Pay service.

## NOTICE TO OUR MEMBERS:

As part of an audit of the Garden Island Federal Credit Union, our auditors have recently distributed a notice to all members, requesting you to verify the balances listed on your monthly statement.

If you did not receive your member statement, or if you find discrepancies, please contact our auditors at:

CU Pacific Audit Solutions, LLC

1654 South King Street

Honolulu, Hawaii 96826

Email: [verify@cupacific.com](mailto:verify@cupacific.com)