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Welcome Mia!



PSCU is proud to introduce our new virtual team member, Mia!

Chat with Mia on our website, 24 hours a day, 7 days a week, to receive assistance with your member service needs. She can answer any questions, comments, and concerns you may have about different topics such as:

- Online and Mobile Banking
- Hours and Locations
- Transactions
- And much more!

Saving for a Down Payment

Tips for saving for a down payment on a major purchase

Saving for a down payment for a house, car, or other major purchase can feel overwhelming. How do you begin? Where do you stash the money? When will you reach your goal? The following tips will help you answer these questions so you can start saving now.

First steps

Whether you are ready to settle in a home, have your eye on a new ride, or are considering a renovation to your existing digs, the first step in saving a down payment is the same: you must figure out how much money you need. Go over your finances with a fine-tooth comb to find easy ways you can start saving. You might cut out some entertainment expenses, whittle down your eating-out expenditures, or even get a side gig to bring in extra income. Perhaps you have a healthy emergency fund or retirement account you can access to jumpstart your savings.



Buying a house

Although you don't always need a down payment to purchase a home, it is in your best interest to have one. If not, you may have trouble finding a lender. Even if you do find a lender, you will be required to purchase additional insurance if your down payment is less than 20 percent of the full purchase price, according to Jeremy Vohwinkle, writer for TheBalance.com. Plus, not having a sizable down payment leaves you open to astronomical interest rates on your loan.

"If you are comfortable with a down payment lower than 20 percent, check with the Federal Housing Administration or Veteran's Administration as well as state housing authorities for programs that can offer first-time and low- to moderate-income families a lower down payment requirement than conventional loans," advises Vohwinkle.

Other sources to check include the U.S. Department of Housing and Urban Development and U.S. Department of Agriculture's Rural Housing Service.

Searching for a car

When you've picked the car you want, you need to figure out your down payment. Shannon Bradley, writer for NerdWallet.com, recommends aiming to save at least 20% of the car's purchase price to put down. If that amount is out of your reach, save as much as you reasonably can without draining your emergency savings. A larger down payment means a smaller loan, and therefore lower monthly payments.

For safe keeping

According to Eric Rosenberg, writer for Investopedia.com, the money you save for your down payment should be accessible, earn a return, have low risk, and retain its value. There are several options for keeping your down payment secure, starting with the simplest and easiest route — a traditional savings account at your current financial institution.

"If you want to earn more interest without sacrificing the safety of FDIC or NCUA protection, opt for a high-yield savings account," suggests Rosenberg. To use this type of account you will likely need to be an existing customer. These accounts are also typically exclusive to online-only financial institutions.

Some states offer a first-time homebuyers savings account. The riskiest option for holding your down payment, according to Rosenberg, is through a brokerage account, which draws returns from your investment success in stocks and bonds.

With a clear plan, time, and sacrifice, you will have what you need for a down payment on a house, car, or other major purchase.

Preparing for Retirement: Roth IRA vs. 401(k)

Similarities and differences between the leading retirement savings options

Retirement may seem like a long way away, but time moves quickly and it could be here before you know it. That's why it's important to establish a lucrative, reliable retirement savings and investment solution now. The most common types are Roth IRA and 401(k) accounts. They may seem similar, but they have a handful of differences that may make one option more suitable for you than the other.

How are a Roth IRA and 401(k) similar?

Fundamentally, a Roth IRA and a 401(k) have the same goal: to help you invest your retirement savings during your working career. The accounts will grow tax-free until you're ready to end your normal employment arrangement and start enjoying your golden years. Both accounts allow your savings to grow tax-free but — as Jean Folger of Investopedia outlines — they differ in tax treatment, investment options, and employer contributions.

What is a 401(k)?

Kristie McCauley of The Simple Dollar offers this definition of what a 401(k) is. "A 401(k) is an employer-sponsored plan that is often included in the benefits package of a full-time job. If you elect to use a 401(k), you can sign up through your employer," though she points out that your account will likely be managed by an investment firm. When you set up a 401(k) account through your employer, you allocate a portion of your paycheck to go directly into your 401(k) account instead of routing to your checking account.



What is a Roth IRA?

Rather than going through your employer to establish your retirement savings account, you could work directly with an investment firm. This allows you to establish a Roth IRA account, which McCauley says may give you greater freedom in your investment strategies. You contribute money from your savings account to this investment account every year. A Roth IRA — which stands for "individual retirement account" — is often taken by those who are self-employed or whose employer doesn't offer a 401(k) plan.

Key differences

According to Ramsey Solutions, a primary difference between a 401(k) and a Roth IRA is how they're taxed. Because the former is deducted from your paycheck before income taxes are calculated, which reduces your taxable income, you'll have to pay taxes when you start withdrawing from your 401(k) upon retirement. On the other hand, the money you contribute to a Roth IRA has already been taxed by the IRS as part of your income. So, when you begin receiving disbursements from your Roth IRA, the money will be tax-free.

A benefit that a 401(k) offers which a Roth IRA does not is that oftentimes employers offer to "match" the amount of money you contribute to your 401(k) account up to a certain amount. For example, an employer may match 50 percent of your contributions up to 6 percent of your salary or 100 percent of your contributions up to 3 percent of your salary. After a vesting period, those employer-contributed funds in your account belong to you.

You can also contribute more money annually to a 401(k) than you can an IRA. While the IRS can change the cap on your annual contributions to these accounts as tax laws change, you can typically contribute over three times as much to a 401(k) in a given year than you could to a Roth IRA.

The good news is that you can contribute to both types of accounts at the same time and adjust your contributions as your employment situation changes over the course of your career. Talk with an investment adviser to determine what the best solution is for your financial situation.

- NOT A DEPOSIT
- NOT FDIC INSURED
- NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT GUARANTEED BY THE BANK
- MAY GO DOWN IN VALUE

The Pros and Cons of Store Credit Cards

Arm yourself with the facts about the good and bad of store credit cards

Chances are, you have been offered the opportunity to sign up for at least one store credit card while visiting a major retail chain. These offers are often quite tempting, promising you several exclusive benefits if you sign up. As a savvy shopper, you know there are always two sides to every coin. Before saying yes to the inquiring salesperson behind the counter, here are a few notable pros and cons of acquiring store credit cards.

The pros: discounts, freedom and improved credit scores

Perhaps the biggest perk of signing up for a store credit card is the discount opportunities such a card brings. Tiffany Patterson of SmartAsset reports that when you're a store cardholder, you are typically eligible for exclusive sales unavailable to other shoppers, and you might get an additional percentage off whenever you stop by the store. This could save you a lot of money, bringing with it a feeling of exclusivity and importance that many consumers find appealing. As a bonus, Patterson writes that many retailers offer an up-front discount just for signing up for the credit card, rewarding you immediately for deciding to take home that shiny new card.

Another major pro is the freedom credits cards bring to your shopping. Having a store credit card means that expensive purchases are no longer as cost-prohibitive, and you can pay them off at a later time. As long as you make responsible choices, this means that your new card lets you, within reason, buy whatever you need. If used in the right way, store credit cards can also improve your credit score, reports Satta Sarmah Hightower of Credit Karma, making them an appealing investment.



The cons: credit limits, interest rates and personal responsibility

There are benefits of having a store credit card, but there are also plenty of risks. The most obvious of these is the role personal responsibility plays in having a credit card. If you routinely overspend when you shop and have problems paying debts on time, a new credit card might not be a good choice. Hightower points out that store credit cards often have high annual percentage rates compared to traditional cards, so carrying a balance when you overspend has larger financial consequences.

Acquiring one of these cards sometimes causes a slight drop in your credit score, according to Patterson. If your score is already low, this could be a problem. There's also the issue of credit limits, as store credit cards often have smaller limits than other cards. Hightower points out that lower credit limits and your spending could raise your overall credit utilization rate, which tells prospective lenders how much of your available credit you use. The higher that number is, the more difficult it could be to find financing for larger purchases.

In the end, it is your responsibility to make the final decision. By looking at such things as financial standing, goals and habits, you can determine if a store credit card is right for you.

Jingle All The Way



Triple Jingle Loan is back! For a limited time only, members who have been with PSCU for 1+ years can borrow up to \$1200, with 12 months to pay back, at only 12% APR*!

New applications are being accepted beginning November 15th - January 31st! Apply Now

*APR = Annual Percentage Rate. Some restrictions apply. Must apply online and meet lending guidelines to qualify. Limited time offer. Promotion is subject to change without notice.

Pay With Your Card - Sign For Your Purchase

Swipe & Sign is back! From November 1st to January 31st, use your PSCU debit card as credit and you'll be automatically entered into a drawing for a \$500 Amazon gift card!*

*No purchase or transaction necessary to win. Open to PSCU debit card cardholders who are legal US residence, 18 or older at time of entry. See official rules for alternate method of entry and odds of winning. Subject to full official rules a

Holiday Closings



Christmas Eve - **December 24th** - Close at 12pm

Christmas - **December 25th** - Closed

New Years Eve - **December 31st** - Close at 12pm

New Years Day - **January 1st** - Closed

Do Your Home and Car Insurance Cover Flood Damage?

Protecting your property from floods and storms

Floodwater can inflict major damage to your property, including your car and home. Water can corrode wires and cause electrical problems, as well as contribute to the growth of mold and mildew. Enough water can cause your car to become non-drivable and your home to become unlivable. Without insurance coverage, the substantial cost of fixing or replacing your flood-damaged property would come out of your pocket. How do you know if your insurance covers it?

Water damage is not flood damage

Most homeowners insurance policies cover water damage but not flood damage. Water damage can be described as an issue originating inside your property, such as a burst pipe or ruptured water heater. This coverage does not extend to damage caused by floods, which are generally defined as the temporary inundation of two or more properties, or two or more acres, of normally dry land. "If your home is flooded as a result of stormwater, an overflowing body of water, or groundwater seeping or leaking into your basement, homeowners insurance won't cover it," warns Pat Howard, Property and Casualty Insurance expert, writing for Policygenius. In other words, if your property is damaged by water coming from outside the property, it probably won't be covered by normal insurance — and that goes for both cars and homes.



Homeowners flood insurance

According to the U.S. Federal Emergency Management Agency, homeowners, renters, and business owners "can purchase flood coverage at any time." FEMA also recommends that residents outside high-risk flood zones purchase flood insurance, as these types of claims make up 40 percent of total claims in the last five years. As Howard says, "flooding can happen in areas that are seemingly not at risk."

Flood insurance will provide coverage for damage caused by heavy rain, severe coastal weather, or even melting snow. However, it may not equally cover all parts of your home. For example, flood damage to the foundation, electrical and plumbing systems, and home appliances are covered by a homeowners flood insurance policy, but damage to personal property and carpeting are not covered if located in the basement.

Comprehensive car insurance

Car owners seeking to protect their property from flood damage should invest in comprehensive car insurance. "While lenders may require this type of coverage if you finance your car, others might consider it optional. This means not all drivers have it," says Lorraine Roberte, insurance writer for The Balance. For an extra premium, comprehensive insurance covers damage caused by flooding, hailstorms, and even heavy rains. If a storm causes a branch to fall out of a tree and damage your windshield, comprehensive car insurance may also cover that. According to Roberte, this is the only type of insurance that covers flood damage to your car, so it's worth getting if you feel at risk. Note that most insurance companies will prevent you from changing policies or creating new ones when a storm is already on its way.

FEMA says, "many property owners have misconceptions about flood insurance, such as whether they can get it, when they can buy it, and how much it costs." Get in touch with your home and car insurance providers, and ask how you can protect your property from flood damage — just make sure to read the fine print before signing a policy.

The Best Healthy Habits for Your Heart

Take care of your heart

Looking for ways to reduce your risk of heart attack or heart disease? Be sure to incorporate these habits into your daily routine to live a healthier life.

Exercise regularly

Staying active doesn't just help you lose weight. It can also lower your blood sugar levels, blood pressure, and blood cholesterol. As an adult, it's a good idea to do moderately intensive exercises for 2 1/2 hours each week. These activities can include biking, brisk walking, swimming, and more.

Even if you do work out each week, it's important not to spend the rest of your time sitting around. Sitting for too long can increase your risk of cardiovascular events and deep vein thrombosis. Accordingly, make sure to take a few short walks every day, whether at home or at the office.



Eat right

Sticking to a healthy diet is crucial to preventing heart disease. Incorporate more fruits and vegetables in your meals while also eating less processed foods. Try to choose foods that have plenty of fiber but are low in salt, sugar, and cholesterol. Avoid trans fats as well since these can cause clogged arteries. However, still eat saturated, unsaturated, and polyunsaturated fats.

Alcohol can also increase your blood pressure, so limit your consumption. Women should only have one drink a day, while men should have a maximum of two drinks a day.

Brush your teeth

Good dental hygiene is not just good for your teeth but also for your heart. If you have gum disease, the bacteria in your mouth can potentially move to the bloodstream, ultimately raising the risk of heart disease and even stroke. So, remember to brush and floss your teeth each day to prevent gum disease.

Get a good night's sleep

If you are not getting enough sleep each night, you may have a higher risk of heart attack or stroke. This is the case even if you have otherwise healthy habits, and it may be because lack of sleep disrupts certain biological processes. Aim to get between seven and eight hours of sleep every night.

And if you believe you have a sleep disorder, speak with a doctor. Sleep apnea, in particular, has links to arrhythmias and heart disease, so you don't want to leave it untreated.

Avoid secondhand smoke

Smoking cigarettes can significantly increase your risk of developing many diseases, including heart disease. If you currently smoke, the best thing to do is quit, and your doctor can offer advice on how to do so.

Even if you don't smoke, being around others who do can still lead to heart disease. This is especially true if you already have high blood cholesterol or high blood pressure. Secondhand smoke can cause a buildup of plaque in your arteries. So, don't be near others while they are smoking.

By following these tips, you can help your heart stay healthy. Speak with a doctor to learn more about your overall health and how to make improvements to your lifestyle.

Are Winter Tires for You?

How winter tires beat AWD and all-season tires

With winter comes the annual discussion about whether winter tires are worth the extra cost. What makes winter tires different from all-season tires? How cold or snowy does the weather need to get to justify using winter tires? Is all-wheel drive enough? Are all-season tires enough? The short answer to all of these questions is that if you live in a cold climate, you probably need winter tires. The longer explanation is below.

Winter tires have special tread

The most visually striking aspect of winter tires is their unique tread. Unlike regular tires, whose grooves are mainly designed to disperse water, winter tires have extra tread depth

