

FREEZING IN THE SOUTH BAY - YOUR CREDIT, THAT IS

A Message from Keith Sulzemeier, President & CEO, Kinecta Federal Credit Union

Happy New Year! We hope you're off to a strong start, perhaps with goals to improve your health, give back to your community, or travel to new and promising locations. Wherever your adventures take you, know that Kinecta is here to help you plan and prosper.

As we support your financial dreams, of utmost importance to us is the continued safety of your accounts and related data, which we monitor and protect around the clock. You may recall the Marriott data breach at the end of last year – an event that caused many consumers to reflect on their own data safety. The breach, perpetrated by hackers who infiltrated the hotel's reservation system, involved nearly 500 million customer records and became the second largest data theft in history. What were the hackers' plans for the data? It's difficult to know for sure, but reports suggest that the hack was likely an espionage attempt – not specifically fraud – that originated in China.

To limit your risk of becoming a victim of identity theft, we encourage you to use every available measure to safeguard your personal data. One immediate step you can take is to shut the door to your credit reports. A new federal law that took effect September 2018 allows you to “freeze” and “unfreeze” your credit whenever you wish.

Freezing your reports can stop fraudsters who might be using your personal information to apply for loans, cell phone service or other accounts in your name. If a fraudster has stolen your information to fill out a loan application as “you,” but you have frozen your credit report, the lender they are targeting will be unable to pull your credit and thereby be alerted to the fraud attempt. Of course, you can “unfreeze” your credit whenever you need it, for example, when you apply for a loan or new credit card.

The new law requires the three largest credit reporting bureaus – Equifax, Experian, and TransUnion – to provide this service without charging a fee. Additionally, the bureaus are obligated to freeze your account within one business day of a request by phone (although it may take a few days to go into effect) and to lift a freeze within one hour of a request. If you are interested, the phone numbers you'll need are: Equifax (800-685-1111; press 3); Experian (888-397-3742; enter your SS#, zip code, address, then press 1), and TransUnion (888-909-8872; press 3).

As you pursue your goals for 2019, we wish you a data-safe and personally prosperous year. We look forward to helping you achieve your financial dreams with the comfort of knowing your money and your data are secure, and we thank you for your loyalty as a Kinecta member.



Keith Sulzemeier
President and CEO
Kinetca Federal Credit Union



NEW YEAR'S RESOLUTIONS THAT WON'T STRESS YOUR WALLET

January 1 brings with it the best of intentions. You set goals to improve your health, finances and relationships, but, without a solid plan, those goals can quickly be abandoned. Plus, the financial costs of making certain improvements to your life – urgh! Don't despair! Get creative to keep costs down and still be on track with your goals in February.

Getting in Shape

Your goal may be to get heart-healthy this year, but gym memberships can be expensive. Why not start or join a neighborhood walking group and use social media to put out a call for walking buddies in your area. Would you rather join an existing walking crew instead of starting one from scratch? Visit MeetUp.com to find groups close to your home already hitting their daily Fitbit goals.

Reducing Expenses

Did you know you can save several hundred dollars a year by trimming expenses without trimming actual services? Here's how. Help college students training for beauty, veterinarian, and dental careers by using their services. These students are often required to take what they've learned in the classroom and apply it into the real world before receiving their credentials. Private schools, colleges and universities that offer cosmetology, veterinarian technician or dental care programs often provide low-cost services to the public supervised by licensed professionals.

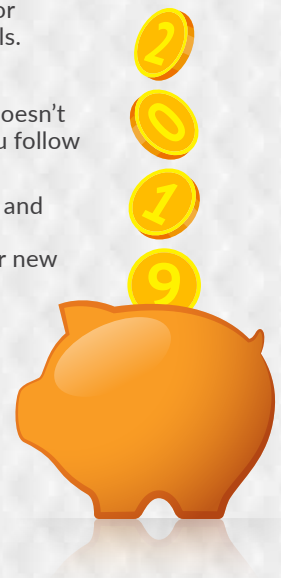
More Family Time

Cutting back on entertainment is usually the first stop when families are looking to save money. This doesn't have to mean cutting out the fun. Free and low-cost Saturday afternoons are waiting for you when you follow these tips.

- Library cards do more than give you access to thousands of books. Use your card to rent DVDs and video games for free from your local library.
- Attend free community events. Nature and science center workshops, grand opening events for new businesses, movies in the park, and model home events are just a few ways to enjoy your time together while keeping costs down. Check your online city or county website for community events near you.
- Volunteer together. If you have a family of pet lovers, consider walking dogs at the animal shelter.

BONUS TIP: If your Liquid Certificates¹ account needs a quick savings bump, consider selling your used household or electronic items on apps like Offer Up and LetGo. It's possible to earn money each month by selling items you have around your home.

¹Liquid Certificates offer unlimited deposits.



NEW YEAR – NEW TAX RULES

The new tax rules for 2019 come with significant changes that might be good news for some taxpayers and surprising to others. Several itemized deductions have been significantly modified and others are no longer available. Be aware that taking the standard deduction may prove more beneficial than itemizing deductions to reduce your tax liability. The standard deduction nearly doubled compared to last year.

Filing Status	2017 Standard Deduction	2018 Standard Deduction
Single	\$6,350.00	\$12,000.00
Married Filing Jointly	\$12,700.00	\$24,000.00
Married Filing Separately	\$6,350.00	\$12,000.00
Head of Household	\$9,350.00	\$18,000.00

Those who elect to itemize deductions should carefully review the new tax rules and avoid applying last year's assumptions.

Itemized Deductions Highlights*

- Did you take out a home equity loan and use the proceeds to do something other than purchase, build or substantially improve your main home or second home?
- This tax season, home equity loan borrowers who did will lose the benefit of the **home equity loan interest** itemized deduction.



- News stories of natural disasters in the United States seem to be on the increase. Some are formally declared a disaster by the United States President while others are not. Before the new tax law, you were likely eligible for this itemized deduction if it met the minimum dollar thresholds. No longer. In order to claim a **personal casualty and theft losses** itemized deduction, the event must be declared a federal natural disaster.
- Unlike in years prior, **tax preparation fees** are no longer an itemized deduction option. But, you can still save money when you file your taxes. Along with other member benefits, Kinecta Federal Credit Union members can save up to \$15 when they use TurboTax to file a return. To receive your exclusive discount please visit Kincta.org for more information.

*Please visit irs.gov for a detailed explanation of the Tax Cuts and Jobs Act and how the changes impact your individual situation.

SMART FINANCIAL MANAGEMENT IN THE NEW YEAR

What do a smoke alarm, a doctor's office wellness visit, and your finances all have in common? They each require your attention at least annually if you hope to prevent problems down the line. The new year is a perfect time to perform a financial review.

A thorough review will assess your current financial health and suggest changes needed to stay on track with your financial goals. Short on time? A few quick actions now can help you start the new year off on the right financial footing. Here's how.

Review prior year successes. Congratulate yourself for paying off a credit card or loan! Take time to look at what worked for you and what didn't in terms of short-term savings goals, retirement contributions, and the return on your financial investments.

Identify changes in your household size or income, then consider updating these documents:

- Life insurance policies
- Employer W-4 (Employee's Withholding Allowance Certificate)
- Your monthly budget
- Investment account and insurance policy beneficiaries
- Last Will and Testament

Set goals for the new year. Your annual financial goals should support your overall financial plan. Need some inspiration?

- Establish an emergency fund equal to three months' of living expenses.
- Pay off your student loan.
- Talk to a financial professional about estate planning. Hint: Estate planning isn't reserved for older, wealthy adults.
- Contribute a set dollar amount to your Savings Account each month to prepare for holiday spending.

Have questions about creating a financial plan that works for you and your family? Contact a Financial Consultant from our Wealth Management team to help put a plan in place to work toward your financial goals.*

Visit KinctaFinancial.org or call 800.854.9846 ext. 6 for more information.



*Securities and advisory services offered through LPL Financial, a Registered Investment Advisor, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. Kinecta Financial & Insurance Services, Member FINRA/SIPC, provides referrals to LPL Financial. Kinecta Federal Credit Union and Kinecta Financial & Insurance Services are not affiliated with LPL Financial.

PAST EVENTS

Skechers Pier-to-Pier Friendship Walk



October 28

Kinecta's Volunteer Corps participated in the 8th Annual Skechers Pier-to-Pier Friendship Walk 8th benefiting children and young adults with special needs. Attendees were also treated to Ice Cream from the Kinecta Ice Cream Truck.

VetFest BeerBQue



November 11

In honor of Veteran's Day, Kinecta partnered with Manhattan Beach Rotary as the presenting sponsor of the inaugural VetFest BeerBQue that was held at Kinecta's Main Office. Approximately 600 people were in attendance to support local veterans and first responders; 100% of the estimated \$35k-\$40k proceeds benefited veterans organizations, including Team Rubicon, UCLA Operation Mend, and Bob Hope USO.

Holiday Food Drive



November 18

Kinecta employees, members and vendors helped fundraise this Thanksgiving holiday season to provide grocery store certificates and non-perishable food items to more than 1,000 families during our 45th Annual Holiday Food Drive. To date, Kinecta has raised over \$63,000.

UPCOMING EVENTS

Kinecta employees are teaming up to give back to the communities we serve. You can help too! Go to Kinecta.org and click on the "Kinecta Community" box to help us make a difference.



FREE Ice Cream Truck

Have you seen the Kinecta FREE Ice Cream Truck in the community? Say "hi" to our team; let us know you're a member and we'll make a donation to Children's Miracle Network Hospitals. Follow us on social media @Kinecta to find out where the truck will be next! #WherestheKinectaTruck



For questions or more information about these upcoming events, please contact us at volunteercorps@kinecta.org.

Thank you for supporting Children's Miracle Network Hospitals

Through a variety of fundraising efforts in 2018, Kinecta members and employees garnered more than \$100,000 for Children's Miracle Network Hospitals.

- Change a Child's Life Campaign
- Miracle Jeans Day
- Shop for Miracles
- Children's Hospital of Orange County (CHOC) Walk
- Online Giving
- Toy Drive

Proceeds benefited Children's Miracle Network Hospitals in Los Angeles, Orange County, and Santa Barbara, all of which treat the most seriously ill and injured children regardless of ability to pay.



HEY, SOCCER FANS!

Did you know that Kinecta is the Official Financial Services partner of the LA Galaxy? We're excited to offer our members an exclusive 15-30% discount* off regularly priced game tickets. Visit Kinecta.org/Member-Benefits and be on the lookout for LA Galaxy's 2019 schedule and instructions on how to redeem your discounted tickets.

*Discounted tickets subject to availability. Upcoming dates for LA Galaxy games will be available in or around February 2019. For questions regarding ticketing, please contact Sid Patel at 310.630.2236 or spatel@lagalaxy.com



Member Access/Download our App

Member Contact Center
800.854.9846
310.643.5400

Online
www.kinecta.org



KINECTA