SECU Remains Here for You!
Many members continue to struggle financially due to the COVID-19 pandemic. If you are experiencing financial hardship, your Credit Union is here for you! If you have an existing SECU mortgage, vehicle, credit card, or personal loan, we may be able to ease your financial burden through options such as loan payment extensions or partial payments. Please send us a secure message through Member Access at www.ncsecu.org, contact your local branch, or call 24/7 Member Services at 888.732.8562.

Protect Your Family’s Future with Life Insurance
The COVID-19 pandemic has had a profound impact on all of us. With business and school disruptions, illness, and loss of life, many North Carolinians have faced unexpected emotional, physical, or financial challenges. Something you can count on is your Credit Union continuing to offer solutions to help you protect your loved ones’ financial future. One way is through simplified issue term or whole life insurance offered to members through SECU’s wholly owned subsidiary, SECU Life Insurance Company (SECU Life).

Many of us rely exclusively on life insurance coverage provided through our employers. If you have experienced employment changes:

- Were you able to retain your life insurance protection?
- Does your employer provide the coverage your family needs?

If not, consider obtaining an individual life insurance policy that provides the necessary coverage for your family but does not depend on your employment status.

The uncertainty surrounding a return of students and staff to school have forced many families to adapt their day-to-day life. If you stay home to care for children, other family members, or perform other household responsibilities, ask yourself:

- Which important roles do you fulfill?
- Without your contributions, how much would it cost for someone else to perform those roles?

If you are the primary caretaker for your family, consider obtaining an individual life insurance policy to help ensure your family has the financial resources necessary to fulfill your contributions and responsibilities should the need arise.

Continued on page 2

Inside This Issue
- Considering Dipping into Your Emergency Fund?
- SECU Veterans Residence Opens in Butner
- Taxability of Unemployment Benefits

Member Information
2020 Annual Meeting
The SECU Annual Meeting will be held on Tuesday, October 13, 2020 at 2:00 p.m. at 119 N. Salisbury Street, Raleigh, NC 27603. Due to the COVID-19 pandemic, and associated governmental restrictions on mass gatherings, and in the interest of maintaining the health and safety of members and employees, in-person attendance will be limited. The meeting will be broadcast virtually, although participation will not be available. Arrangements are currently in process and details will be available at www.ncsecu.org on or before October 1, 2020.

New Alerts Service Coming Soon!
We are excited to announce that the Credit Union is introducing a new type of alert that will let you know when irregular card activity is detected! Currently, when unusual activity is detected on your card, we call you to verify the transaction is authorized. Soon, we will also be able to notify you by text message. If your wireless provider participates, you will not incur any charges for these messages! We will announce the start of this new alerts service on our webpage, and more information will be available at that time.

Grassroots is a publication of the State Employees’ Credit Union Member Communications department. The Credit Union is a member-owned cooperative, organized to promote thrift and provide low-cost financial services. The field of membership extends primarily to employees and retirees of State Government, Public School Systems, Community Colleges, State Universities and their immediate families.

Follow us on:
Protect Your Family’s Future with Life Insurance

Continued from page 1

Whether you have no life insurance, need more life insurance, or simply don’t know where to begin, your Credit Union is here to help. Our network of licensed insurance representatives can evaluate your circumstances and help you obtain life insurance coverage from SECU Life that fits within your budget and meets your family’s needs. With SECU Life’s simplified application process, you can easily and conveniently apply for coverage without visiting a branch. Call us today at 888.732.8562 to learn more!

Life insurance is provided by SECU Life Insurance Company. SECU Life Insurance Company is a wholly owned subsidiary of State Employees’ Credit Union. Life insurance is not guaranteed by, or an obligation of any credit union and is not insured by NCUA. Insurance Representatives are licensed to sell in North Carolina only.

Considering Dipping into Your Emergency Fund?

It can be difficult to reverse course when it comes to financial habits. For example, some new retirees find it challenging to begin taking distributions from retirement savings to which they may have spent decades making contributions. Likewise, you may find it difficult to dip into your emergency savings if you have regularly put money away for a significant amount of time.

If you have experienced financial hardship, then it is okay to dip into your emergency fund to help you make it through to better times. Once your circumstances stabilize, you should reassess or create a spending plan to start rebuilding your emergency fund. If you are new to the concept of emergency savings, the best way to start is to set incremental savings targets until you reach your overall objective. In general, we recommend building savings that could cover three to six months’ worth of expenses.

Your Credit Union is here to help you with an array of financial services. Some of these services require advanced planning in order to make the best use of them. Please contact your local branch to schedule a time to discuss ways the Credit Union can help you with your current financial situation and prepare for the future.

SECU Veterans Residence Opens in Butner

A Ribbon Cutting ceremony held August 1st marked the opening of the new SECU Veterans Residence, which brought a long-term vision to reality for Veterans Life Center (VLC) and great hope for at-risk veterans in North Carolina. The member-funded SECU Foundation provided a $1 million capital grant to complete fundraising efforts for the construction of the SECU Veterans Residence.

VLC provides a residential program offering physical, mental, and spiritual therapy necessary to help veterans in need reintegrate into civilian life with success and avoid crises such as homelessness, incarceration, suicide, and premature death. Veterans participating in the program will be housed at the 100-bed SECU Veterans Residence and have access to supportive services for a period of 90 days to 2 years depending on individual needs. The facility will serve veterans in all 100 counties and provides close access to VA facilities in Durham, Salisbury, and Fayetteville.

“The support we at the Veterans Life Center have received from the SECU Foundation is a game-changer for our project. Because of the Foundation’s generosity, our ability to provide services to at-risk 21st Century American veterans is now assured,” said John Turner, VLC Founder and Senior Advisor. “In addition to clean rooms and nutritious meals, we will be able to see that they receive the therapy, counseling, life skills and vocational training they need to find a constructive and personally-satisfying role in civil society. All that will be coordinated in the SECU Veterans Residence.”

To learn more about this and other SECU Foundation initiatives, visit www.ncsecufoundation.org.
**Taxability of Unemployment Benefits**

According to the North Carolina Department of Commerce, over 800,000 North Carolinians have received unemployment benefits since the start of the COVID-19 pandemic in March. Under the provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, many of these claimants also received an additional $600 per week in federal funding which expired on July 25th. Going forward, additional federal benefits may become available should a new law be passed. While these benefits have helped furloughed and laid-off workers make ends meet during the pandemic, it is very important to understand that unemployment benefits are considered taxable income. Therefore, recipients should be aware of the potential impact to their tax returns next year.

Unless your income level generally exempts you from tax withholdings or filing a tax return, it is likely that any unemployment benefits you receive will have a significant impact on your tax liability. You may need to consider the following strategies if you receive unemployment benefits this year and have not withheld taxes:

1. **Begin withholding taxes from your benefits.** If you are receiving benefits from North Carolina, you can request to have taxes withheld by logging into your online account with the North Carolina Division of Employment Security (DES) ([https://des.nc.gov/](https://des.nc.gov/)). You can also contact their call center at 888.737.0259 for assistance. If you are receiving benefits through another state, visit their respective employment security site for instructions.

2. **Save part of your benefits.** If you have not been having taxes withheld from your benefits and you are able, save a portion of each benefit payment going forward in preparation for paying your tax bill next year.

3. **When tax time comes, pay as much as you can by the deadline.** If you have an amount due at tax time, pay as much as possible by the tax filing deadline to help you avoid or reduce costly interest and penalties. If needed, you may be able to set up an installment plan, but interest and penalties generally continue to accrue on the unpaid amount even if you have a payment arrangement.

It can be difficult to prioritize future tax issues, especially if you are experiencing financially tough times now. However, at a minimum, it is good to be aware of future tax implications so you can begin preparing for them as early as possible. As always, your Credit Union is here to help! If you have any questions about the taxability of your unemployment benefits or creating a savings plan to budget for them, please feel free to contact your local branch.

*The material above is for educational purposes only and is not intended to provide tax advice specific to your situation. For tax advice specific to your situation, please consult your tax advisor professional.*

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**Prepare your Foundation for the future.**

Ask to speak with a Trust Representative today!

Trust Services offered through Members Trust Company, a federal thrift regulated by the Office of the Comptroller of the Currency. Trust products are not Credit Union deposits, are not insured by the NCUA or any other federal government agency, are not obligations of or guaranteed by the Credit Union, Members Trust Company or any affiliated entity, and involve investment risks, including the possible loss of principal. The material above is for educational purposes only and is not intended to provide legal or tax advice regarding your situation. For legal or tax advice, please consult your attorney and/or tax professional.
### Share & Deposit Account Rates

Effective August 20, 2020

<table>
<thead>
<tr>
<th>Accounts</th>
<th>Minimum Deposit to Open</th>
<th>Dividend/Interest Rate**</th>
<th>APY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share</td>
<td>$25</td>
<td>0.25%</td>
<td>0.25%</td>
</tr>
<tr>
<td>6 Month Share Term Certificate</td>
<td>$250</td>
<td>0.55%</td>
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<tr>
<td>12 Month Share Term Certificate</td>
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<td>18 Month Share Term Certificate</td>
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<td>24 Month Share Term Certificate</td>
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<td>36 Month Share Term Certificate</td>
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<td>48 Month Share Term Certificate</td>
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<td>60 Month Share Term Certificate</td>
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<tr>
<td>Money Market Share</td>
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<tr>
<td>Dividend Checking</td>
<td>$0</td>
<td>0.15%</td>
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<tr>
<td>Non-dividend Checking**</td>
<td>$0</td>
<td>0%</td>
<td>0%</td>
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<tr>
<td>IRA/SEP/CESA</td>
<td>$25</td>
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<td>0.70%</td>
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<tr>
<td>HSA</td>
<td>$0</td>
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<tr>
<td>FAT CAT Share (Ages 0 - 12)</td>
<td>$5</td>
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<tr>
<td>Zard Share (Ages 13 - 19)</td>
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<td>Zard Checking</td>
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<tr>
<td>CashPoints Global (CPG)</td>
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<tr>
<td>Holiday Cash Club</td>
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<tr>
<td>Summer Cash</td>
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<td>0.60%</td>
</tr>
<tr>
<td>SALO Cash</td>
<td>$0</td>
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<td>0.25%</td>
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</table>

**Dividends are paid interest. All other accounts are paid dividends.**

### Financial Condition

July 31, 2020 (Unaudited)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>YEAR 2020</th>
<th>YEAR 2019</th>
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<tbody>
<tr>
<td>Cash, Investments</td>
<td>$19,513,565,855</td>
<td>$15,388,931,623</td>
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<tr>
<td>Loans to Members</td>
<td>24,272,299,425</td>
<td>23,486,715,864</td>
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<tr>
<td>Accrued Interest Receivable</td>
<td>77,068,376</td>
<td>95,284,598</td>
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<tr>
<td>Property and Equipment</td>
<td>1,234,343,007</td>
<td>1,124,082,791</td>
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<tr>
<td>Total of Accounts</td>
<td>341,065,879</td>
<td>316,791,700</td>
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<tr>
<td>Other Assets</td>
<td>49,360,507</td>
<td>58,974,416</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$45,487,703,049</strong></td>
<td><strong>$40,470,780,992</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; RESERVES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking Accounts</td>
<td>$5,520,883,757</td>
<td>$4,271,287,071</td>
</tr>
<tr>
<td>Share Accounts</td>
<td>36,103,033,619</td>
<td>32,700,498,527</td>
</tr>
<tr>
<td>Total Accrued Expenses</td>
<td>12,582,108</td>
<td>29,740,375</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>107,930,362</td>
<td>86,988,958</td>
</tr>
<tr>
<td>Reserves/Undivided Earnings</td>
<td>3,743,273,203</td>
<td>3,382,266,061</td>
</tr>
<tr>
<td><strong>Total Liabilities and Reserves</strong></td>
<td><strong>$45,487,703,049</strong></td>
<td><strong>$40,470,780,992</strong></td>
</tr>
</tbody>
</table>

### Important References

- 24/7 Member Services: 1.888.732.8562 • 919.857.2150
- SECU Voice Response: 1.800.ASK SECU • 1.800.275.7328 • 919.839.5400
- SECU Online: www.ncsecu.org • SECU E-Mail Address: info@ncsecu.org
- SECU Fax Service: 1.888.SECU FAX • 1.888.732.8329 • 919.857.2000
- SECU Insurance Services: 1.866.937.7328 • 919.839.8525
- Free Credit Report: www.annualcreditreport.com
- National Do-Not-Call Registry #: 1.888.382.1222
- Opt Out of Junk Mail: www.dmachoice.thedma.org
- Opt Out of Preapproved Offers: 1.888.567.8688 • www.optoutprescreen.com

### Board of Directors

Bob Brinson, Chair • Chris Ayers, Vice Chair
Alice Garland, Secretary/Treasurer • Shirley Bell • Karan Bunn
Mark Fleming • Jennifer Haygood • Mona Moon
Jo Anne Sanford • Stelfanie Williams • McKinley Wooten Jr.

For SECU loan rate information, visit www.ncsecu.org, contact your local branch or call SECU toll-free at 1.888.732.8562.

### Tell Us About It

We realize there are ways we can improve our service. If you have a concern, we ask that you contact management at your local SECU branch to expedite feedback. We also welcome your suggestions. Please take a few moments to let us know how we may serve you better.

Please rate your last SECU experience by circling the following:

- **Promptness**
  - Excellent
  - Satisfactory
  - Unsatisfactory

- **Courtesy**
  - Excellent
  - Satisfactory
  - Unsatisfactory

- **Knowledge**
  - Excellent
  - Satisfactory
  - Unsatisfactory

- **Level of Service**
  - Excellent
  - Satisfactory
  - Unsatisfactory

How might SECU serve you better?

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If you would like a reply, please complete below:

- Name
- Address
- City
- State
- Zip
- Phone #
- Email address

**Please mail to:**
SECU – Administration, PO Box 27665, Raleigh, NC 27611-7665

If you feel that State Employees’ Credit Union has not adequately addressed your concern, you can contact the North Carolina Credit Union Division at www.nccud.org or the Consumer Financial Protection Bureau at www.cfpb.gov to file a complaint.