

Common Cents

February 2008



DR. BILL BRUCE
Chairperson



JEANNINE THOMPSON
1st Vice Chairperson



JOANNE MILLS
2nd Vice Chairperson



MESSAGE FROM THE PRESIDENT

VINCENT ROJAS, JR., PRESIDENT/CEO



BRYON SCHAEFER
Treasurer



DR. JAMES FILLBRANDT
Secretary



DR. LARRY REIDER
Director



MARY K. ZWARTENDYK
Director



MARILYN JONES
Director



DR. CECIL BRISCOE
Director



DR. BILL WILLIAMS
Director



MIKE KILEEN
Director

As the financial world "wraps up" the turbulent marketplace of 2007, each one of us can personally think about how 2007 has affected us. The Credit Union's performance was financially stable. The leadership of the Board of Directors and Senior Management paid close attention to the Credit Union's priorities: its members, its staff, and the community we serve.

In 2007, Kern Schools Federal Credit Union continued to pay members a competitive dividend rate on deposits, and held interest rates on loans at an affordable level. Was it a challenge to do this? Yes, it was. However, the Credit Union never lost sight of its reason for existence.

We paid attention to member service, competitive products, and compassion for those who may have suffered hard times. We are a people institution, and continue to operate with this value as a strategy.

2008 will continue to present challenges for our financial institution, but our leadership is prepared to be proactive. We will meet our economic challenges and continue to provide a high level of member service and competitive products to meet your needs. We thank you for using the services of Kern Schools Federal Credit Union.

"Together, we have something special."

KERN SCHOOLS
FEDERAL CREDIT UNION

"Together, we have something special."



As easy as 1-2-3.

Prepare and electronically file your tax return online with TurboTax for the Web. It's fast, inexpensive and you can obtain your refund in just days. Members can try TurboTax Online® Free Edition now. TurboTax Online® Free Edition offers:

- A step-by-step interview with easy-to-understand questions
- Forms automatically filled out using your answers
- FREE federal e-file—refunds in as few as 9 days.

Simply go to: www.ksfcu.org

Routing Number and Account Number must be accurate and complete or your transaction could be returned. To locate your routing and account numbers go to www.ksfcu.org, under checking or savings, click routing number.

TurboTax and TurboTax Online, among others, are registered trademarks and/or service marks of Intuit Inc. in the United States and other countries.



**“In this world, nothing can be said to be certain, except death and taxes.”
—Ben Franklin**



Want to hear a Secret?

Kern Tax Services

Kern Schools Federal Credit Union, in an effort to continue providing our membership with the best services available, is proud to announce our partnership with Kern Tax Service. Kern Tax Service provides professional individual tax preparation, electronic filing, tax audit assistance, tax planning, quick refunds, is open year round and has been serving Kern County residents for over 19 years. All KSFCU members will be given a 10% discount off already competitively priced services.

**FREE PRICE ESTIMATES BY PHONE
(661) 588-3560.**

Schedule your appointment now!



9711 HOLLAND STREET, CA 93312
On the corner of Calloway & Holland Street
Serving Kern County residents for over 19 years.

Protect Your Home Home Warranty Coverage

Your home is one of the single largest investments you will make in your lifetime. Protecting that investment is important. Have you ever considered what it would cost to replace or repair an air conditioner/cooler, a dishwasher, or broken pipes? Kern Schools Federal Credit Union now offers a Home Warranty Product with coverage you can rely on.

With premiums beginning at just \$29.16 a month KSFCU's affordable Warranty Product can save you thousands on home repairs and replacements. It's never been easier to protect your home's systems and appliances against breakdowns from normal wear and tear. Say 'Goodbye' to expensive repairs! Everything from your oven and water heater to electrical systems and plumbing leaks, this policy covers your home no matter how old it is, or how long you've had your mortgage. You can purchase a Home Warranty policy anytime!

Contact us today for more information on how to protect your home, condo, mobile home, townhome or a new home under construction.

Stop by any branch today and our Financial Services Officers can assist you with the home warranty coverage. You may also call an Old Republic Representative directly at 1-800-445-6999 or go online at www.ksfcu.org for more information.



WHAT'S NEW!

Business Services

We now offer Business Banking Services with a complete line of products and services just right for you and your business. Your banking relationship is one of the most important partnerships you form as a business owner. At KSFCU running a business just got easier with tools designed to simplify the way you manage the books, run payroll, offer employee insurance and access your credit. You can stop by any branch today and open your account.

New ATMs

For your convenience, we have upgraded at least one of the ATMs at each branch with state of the art features. Envelopes are no longer required for deposits and you receive a scanned receipt of your checks deposited.

IRA/Retirement Savings

Make your 2007 and 2008 IRA contributions while rates are up. Contributions to existing IRA Share Certificates can be made at any branch or by telephone.

Live Chat

Live Chat is now available on our homepage and in DataNet. If you don't have time to visit a branch, or you do not have access to a phone, you now have another option to receive help, with Live Chat.

Foreclosed Property & Repossessed Vehicles

Looking for a great deal? Check out our available properties and vehicles online at www.ksfcu.org.

What can we learn from the recent disasters in California?

■ Disasters can strike anywhere; whether it is from significantly high winds, unusually heavy rains or unexpected earthquakes. We live in a state where you need to protect your family and your property from being just another statistic.

■ The aftermath of these disasters is devastating when everything you have built and saved for is gone in an instant.

■ Insurance is designed to help you restore the things you have lost.

■ Insurance coverage can meet these expectations if it reflects the current value of the things you are trying to protect.

What can you do to protect yourself?

■ Make sure that you have updated your insurance policy to reflect upgrades and additions you may have made to your home. The basic cost to replace your home continues to rise, make sure your policy reflects these higher costs.

■ Make sure the contents coverage of your policy accurately reflects the value of your possessions. Inventory your contents: HDTVs, digital cameras, laptop and desktop computers, in addition to your furniture and clothes.

■ Earthquake and Flood coverage is not provided in your homeowner, renter, or condominium policy. If you are located in a flood prone area consider purchasing flood insurance. Earthquakes can happen anywhere so it is a good idea to consider coverage.

Don't overpay for coverage or lack of service!

■ Compare your policy with a competitive quote from California Insurance Specialists. Their knowledgeable and experienced sales and service agents will take the time to discuss with you the various levels of coverage that are available from their 35 national and regional insurance carriers.

■ Don't let poor service or inattentive insurance agents hold your insurance policies hostage.

■ Auto and Homeowner rates have been decreasing throughout California so this would be a good time to take a moment to review all of your insurance needs.

REQUEST A FREE QUOTE!

■ CALL TOLL FREE AT
(888) 831-0247

■ VISIT OUR OFFICE LOCATED AT
*4600 American Ave,
Suite 205* ACROSS FROM THE
MING BRANCH

■ GO TO OUR WEBSITE AT
www.ksfcu.org AND 'CLICK'
ON THE LINK UNDER INSURANCE.

California Insurance Specialists

4600 American Ave • Suite 205
(Across from the 4530 Ming Ave. Office)

(661) 397-3944
Toll free (888) 831-0247
www.ksfcu.org

License No. 0B33273

How Much Money Can I Put into my IRA or Employer-Sponsored Retirement Plan?

All types of IRAs and employer-sponsored retirement plans are subject to annual contribution limits set by the federal government. The limits are generally adjusted periodically to compensate for inflation and the increase in the cost of living.

IRAs

For the 2008 tax year, you can contribute up to \$5,000 to all IRAs combined (starting in 2009, the limit will be adjusted for inflation annually). For instance, if you have a traditional IRA as well as a Roth IRA, you can only contribute a total of the annual limit in one year, not the annual limit to each. If you are age 50 or older, you can also make an annual \$1,000 "catch-up" contribution.

Employer-Sponsored Retirement Plans

Employer-sponsored retirement plans, such as 401(k)s and 403(b)s, have a 2008 contribution limit of \$15,500; individuals aged 50 and older can contribute an extra \$5,000 as a catch-up contribution.

If you are currently contributing to an IRA or an employer-sponsored retirement plan, it may be wise to check the contribution limit each year in order to put aside as much as possible.

Distributions from traditional IRAs and most employer-sponsored retirement plans are taxed as ordinary income and may be subject to an additional 10% federal income tax penalty if taken prior to reaching age 59 1/2. If you participate in both a traditional IRA and an employer-sponsored plan, your IRA contributions may or may not be tax deductible, depending on your adjusted gross income.

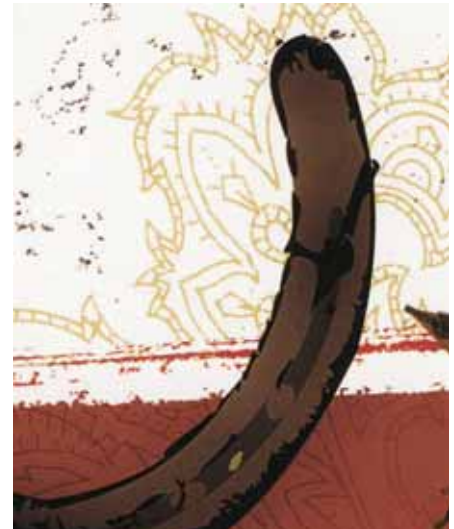
Do you have questions on planning for your retirement?

If so, call (661) 833-7730 to schedule an appointment with one of our financial advisors at a KSFCU Branch near you.



Securities offered through CUSO Financial Services, L.P.(CFS) are not NCUA/NCUSIF Insured, not Credit Union Guaranteed and may lose value. KSFCU is in partnership with CFS. Financial Advisors are employees of KSFCU and registered through CFS.

(Member FINRA/SIPC)



APPLICATIONS for the Board of Directors

If you wish to be considered or would like to nominate one of your peers for a position on the 2008/2009 KSFCU Board of Directors, application packets for potential candidates are available in all offices. The deadline to file is no later than 12 noon on Thursday, March 6, 2008.

Mail or Deliver Application To:

University Centre
Administration Building
Attn: Marlene Morales
9500 Ming Ave.
P.O. Box 9506
Bakersfield, CA 93389

Incumbents running for re-election are:
Dr. Bill Bruce, Joanne Mills,
Dr. James Fillbrandt and
Marilyn Jones.

Giddy Up!

Let's have some fun!
Come dressed in your best britches,
cowboy boots, spurs, chaps,
and cowboy hats!

Plan to join us at the KSFCU Annual Meeting scheduled for
Thursday, April 10, 2008 at The Convention Center.
Valet Parking Available.

Annual Meeting Reservation Form — RSVP NOW!
Thursday, April 10, 2008 at The Convention Center
Voting 5:30pm — 6:30pm • No Host Social Hour 5:30pm- 6:30pm • Dinner 6:30pm
Business Meeting following Dinner • Dancing following the Business Meeting

Annual Meeting Reservation Form

Eight Persons to a Table - those planning to sit together must submit reservations and payment (\$16 per member/joint owner - \$26 for non-members) in the same envelope. Tickets will be mailed one week prior to the meeting.

| Name (One person to a line, please) | Member Account Number (Only members are eligible for the grand prize) |
|--|--|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |
| 6. | |
| 7. | |
| 8. | |

Total Number of Members/Joint Owners _____ x \$16 = \$ _____
 Total Number of Non-Members _____ x \$26 = \$ _____
 Total Due: \$ _____

PAYMENT OPTIONS: Check enclosed or Deduct from: Checking Savings
Please Make Checks Payable to KSFCU.

Account # : _____ Authorized by: _____
(Member Signature)

MAIL TICKETS TO: _____

STREET ADDRESS OR P.O. BOX: _____

CITY/STATE/ZIP: _____

DAYTIME PHONE NUMBER: _____

Return to: Marketing Manager, KSFCU, PO Box 9506, Bakersfield, CA 93389-9506
Tickets will be mailed one week prior to the event.

Board of Directors

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

Supervisory Committee

| | |
|--------------------|-------------|
| Jim Sheats | Chairperson |
| Tom Ross | Secretary |
| Carl D. Woody, Jr. | Member |
| Dennis Scott | Member |

Visit our website at:
www.ksfcu.org



Branch Locations

Bakersfield

2424 Chester Avenue
6101 Coffee Road
4530 Ming Avenue
9800 Ming Avenue
3901 Mt. Vernon Avenue
2671 Oswell St.
5001 Panama Lane
13129 Rosedale Highway **NEW!**
8200 Stockdale Highway

Ridgecrest

1621 North Downs Street

Delano

1101 Cecil Avenue

Wasco

2425 Highway 46 (inside Save Mart)

Office Hours

Monday through Thursday - 9am to 5pm
Friday - 9am to 6pm
Saturday - 9am to 1pm
Delano, Ming, Mt. Vernon, Oswell, Panama, Ridgecrest, Rosedale, River Run, Town & Country and University Centre offices

Express Branch:

Tehachapi - 821 Tucker Road
Monday through Friday 10am to 6pm

Supermarket Branches:

Save Mart - 9600 Hageman
Save Mart - 2425 Highway 46, Wasco

Monday through Saturday - 10am to 7pm
Sunday - 10am to 3pm



Common *Cents*

9600 Ming Avenue
Bakersfield, CA 93311

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Phone Numbers

Communication Center | (661) 833-7900 Mon. thru Fri., 7am - 7pm and Sat., 7am - 2pm
Other Areas Nationwide | (800) 221-3311

KSFCU Investment and Insurance | (661) 833-7730
Data Voice | (661) 831-5900 (800) 248-3336

California Insurance Specialists | (661) 397-3944
Member Business Services | (661) 833-7530

Home Loan Center | (661) 833-7926
VISA® 24-Hours a Day | (800) 654-7728

Additional ATM Locations

4616 California Avenue
Auto Mall | 2821 Auto Mall Dr.
Apple Market in Shafter
The Bakersfield Airport, Meadows Field
International Terminal and
William M. Thomas Terminal
Bakersfield College Bookstore
Bakersfield College | in the Breezeway
Bakersfield College Delano Campus

California Correctional Institution
Tehachapi
City of Shafter | 341 Central Ave.
County Fair Market in Lamont
Delano Regional Medical Center
Frazier Park | 3409 Mt. Pinos
Holiday Inn Select
Kern County Court House
Kern County Fairgrounds | inside
the Main Gate and in the Satellite
Wagering Building

Kern Medical Center Cafeteria
Lake Isabella | Lake Isabella Market
The Marketplace | in Kiosk
Memorial Hospital | 34th Street in the
main lobby
Mercy Hospital | 400 Old River Road
Regional Occupational Center
Rosedale Village Shopping Center

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
University Centre | 9500 Ming Avenue