

HAWAII FIRST

Community Resource Center Second Quarter Newsletter

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HFCRC NO COST SERVICES INCLUDE

- ◆ Individual Development Accounts
- ◆ Resume' Assistance
- ◆ Financial Education
- ◆ Budgeting, Debt and Credit management
- ◆ Job Seeking Assistance
- ◆ Small Business Development
- ◆ No cost internet access
- ◆ No cost computer access
- ◆ Online schooling access
- ◆ Resource library
- ◆ Fraud prevention
- ◆ Payday loan alternatives
- ◆ Car buying solutions
- ◆ Home buyer education
- ◆ Saving plans
- ◆ Forclosure Prevention Assistance
- ◆ Community Economic Development

THE DREAM OF HIGHER EDUCATION OR OWNING YOUR OWN SMALL BUSINESS IS NOW A REALITY INDIVIDUAL DEVELOPMENT ACCOUNTS

Hawaii First Federal Credit Union has designed a new matched savings program to help eligible beneficiaries save money for higher education, vocational training, or micro enterprise. The Office of Hawaiian Affairs (OHA) provided the grant monies for this exciting new program.



Participants open special savings accounts known as Individual Development Accounts (IDA) and save by making monthly deposits with HFFCU. When you are ready to apply for higher education, vocational training, or open your own business, your savings is then matched 4 to 1, with a maximum savings of \$1,000 and a maximum match of \$4,000, giving you up to \$5,000 towards meeting your goals!

\$4 FOR EVERY \$1 SAVED!

While you are saving, you will strengthen your financial knowledge, sharpen your money management skills, and repair your credit through "Money First", Hawaii First Federal Credit Union's financial education program. Individual assistance will be given throughout the duration of your savings period, provided by Hawaii First Federal Credit Union.

EARN IT KEEP IT SAVE IT

FREE INCOME TAX PREPARATION

ARE YOU ELIGIBLE?

If you earned less than \$56,000 in 2008, you may be eligible through Hawaii First FCU in partnership with the IRS, for free income tax preparation. You may also be eligible for an EITC refund. Please contact our Established Volunteer Income Tax Assistance (VITA) site.

WHAT DO YOU NEED?

- ◆ Valid Identification
- ◆ Social Security (SSN) or Individual Taxpayer Identification Number (ITIN) cards for you, spouse and dependants
- ◆ All W-2 and 1099 forms you received
- ◆ Daycare records
- ◆ Any other tax documents (itemizing not available at this site) (both spouses **MUST** be present if filing jointly)

For more information, please contact HFFCU's Established VITA/EITC site.



BANKRUPTCY IS NO EASY WAY OUT



If you're to believe the ads, declaring bankruptcy is a quick and easy way to solve money problems. But except in cases of total financial collapse, for example, due to crushing medical bills, bankruptcy is no cure-all. There are two types of consumer bankruptcies:

1. Chapter 13 or "reorganization" allows debtors to pay off a default over a period of three to five years, rather than surrender property.

2. Chapter 7 or "straight bankruptcy" involves liquidating all but certain exempt property. (Each state has specific exemptions.)

Personal bankruptcy leaves a scar on your credit rating for 10 years. That means you'll have difficulty:

- ◆ Finding a place to live. If you want to buy a home, your mortgage application will likely be denied.
- ◆ Obtaining a credit card. That makes simple transactions like renting a car or reserving a hotel room difficult. While there are credit cards marketed to bankrupts, they have extraordinarily high interest rates.
- ◆ Finding lower cost insurance. Some companies charge higher premiums to those with negative credit ratings.

If you are having credit problems, visit your credit union as soon as possible. We don't offer miracle cures, but we can help you regain your financial health by providing free, confidential assistance.



How Is Your Financial Health?



The following checklist will help you see if you need to put your financial matters back on track:

- Are you using more and more of your income to pay debts?
- Are you using money intended for other things to pay your bills?
- Do you pay your bills late?
- Are you making only the minimum payments on credit cards and loans?
- Are you close to maxing out your credit cards?
- Do you put off going to the doctor or dentist because you can't afford them?
- Are you working a second job or working overtime to make ends meet?
- Are you dipping into your savings in order to pay your bills?
- Would you be in financial trouble immediately if you or your spouse lost a job?
- Do you worry about money and paying your bills?

If you answered "yes" to three or more of the questions, you could be headed for financial problems. You need to get your spending under control by setting up a monthly budget and following it. Hint: Put away your credit cards and cut out unnecessary spending until you can get back your financial health.

DID YOU KNOW?

Your credit union wants you to be aware of the growing trend by large income tax preparing firms to offer you "instant" money for your state and federal income tax refunds. They offer to cut you a check "on the spot" in exchange for authorizing the state and federal government to route your refund directly into their bank account.

The only "catch" is that this service usually comes with a hefty service charge, sometimes as much as 10 to 20 percent of the refund. It may not sound like much, but this fee is outrageously high when you convert it to an annual percent rate (APR). Think about it: A 10% "service charge" of \$100 on a \$1,000 tax refund in exchange for forgoing a one-month wait for your money works out to an APR of 133%. And what's worse, they are loaning you your own money! With today's electronic filing of federal and most state income taxes, the wait time for your refund has been dramatically reduced (in some cases, you may get your refund check in a week to 10 days). Is it really worth it to pay an exorbitant service charge so you can get your money instantly? Your credit union doesn't think so. Sit tight for a couple of weeks and use that extra money to your benefit.

HAWAII FIRST COMMUNITY RESOURCE CENTER

Waimea Shopping Center
65-1158 Mamalahoa Hwy. Suite 2D
Kamuela, HI 96743
Phone: 885-6600 / Fax: 885-6604
By appointment only:
Mon, Tues, Thurs, Fri 8:30am-4:00pm
Wednesday 8:30am-6:30pm
Saturday 9:00am-noon



"Where you come First!"



Community Corner:

Got a great story to share about people helping people right here in your community?

Please submit it to our newsletter, and if selected you will receive a \$10 KTA gift certificate, as well as have your story published in next quarter's newsletter.

Deadline for submittal will be January 15th.

Please email your story, photo (if available) along with your contact information to:

mahealani@hawaiifirstfcu.com.

*Together as a community,
We can make a difference!*