

# BERKELEY COMMUNITY Federal Credit Union



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*Your Place for... FINANCIAL SERVICES WITH A PERSONAL TOUCH*

*January 2017*

## CREDIT UNION ANNUAL MEETING

Our 53rd Annual Meeting will be held on Wednesday, February 22nd at the Berkeley Intermediate School cafeteria located at 777 Stony Landing Road, Moncks Corner, SC 29461. The social hour will kick off the evening's activities at 4 PM which will be followed by business session. Elections will be held for one board seat and all members, 18 years of age and older who were members of record as of 9-30-16 will be eligible to participate. Members 18 years of age or older who are interested in running for the board may call and request by mail a board application from our office, come by and pick one up, or download one from our web site. All completed applications must be received by the credit union on or before January 31, 2017. Completed applications may be dropped off at the credit union's office at 600 Main Street Ext., Moncks Corner, SC or mailed to P.O. Box 206, Moncks Corner, SC 29461. All applications approved by the nominating committee will be placed on the ballots which will be distributed to eligible voters at this year's annual meeting.

## "Santa Helper" Loan Promotion

Thanks to all members who participated in our Christmas loan promotion. The demand was literally overwhelming! Please be reminded that the balance on these loans must be paid in full over the next twelve consecutive months utilizing direct deposit contributions. We hope that we played a small role in adding to the joy of your Christmas.

## Young Adults Use Digital Skills to Find Best Car Deals

According to the research firm J.D. Power and Associates, the average age of new car owners fell in 2015 from 49 to 48, spurred in part by a growing number of Gen Y buyers. The generation of young adults often thought of by analysts as Uber-obsessed and debt-averse, now comprise 28% of sales--up from 17% in 2010.

Bloomberg View argues that people across all age groups are spending less of their income on cars today than they did in the '80s and that the record number of sales is driven by a recovering economy and population growth--pointing out that the U.S. population increased 29% between 1989 and 2014--rather than a sustainable trend.

Regardless, it's clear more young adults are buying cars today than in the recent past. If you're a young adult shopping for your first car, you have some advantages.

Here are three things to consider:

### 1. Know what you want--to a point.

J.D. Power found that young adults spend twice as much time doing online research before buying a car than older generations. You should know how much cars are worth, what the ongoing maintenance cost is likely to be, and what features are important to you. For instance, J.D. Power found that Internet connectivity and modern technology drive new cars sales among young adults.

But don't do so much online research that you think you know what car you want without first going on a few test drives. You may not know what you truly like until you've driven a few different options, and a car isn't a shirt you can easily return if you get it home and decide it's not a good fit.

### 2. Use your tech-savvy to your advantage

With apps from Edmunds, Kelley Blue Book and Consumer Reports, you can continue your research live at the dealer with your smartphone, enabling you to quickly check to see if the offer the salesperson made you is a good one. Apps like TrueCar and the website MakeMyDeal also can help buyers firm up pricing before even stepping on the lot.

### 3. Get preapproved for a car loan

Getting preapproved at Berkeley Community Federal Credit Union--which as a not-for-profit financial cooperative generally has better rates than banks--lets you know exactly how much you can afford, your interest rate, and what your monthly payment will be. This gives you more buying power when negotiating at the dealership.

**Reminder: 24HR/7Day a week access to your account is available with your ATM/Visa debit card or by contacting us by phone utilizing our Teller-Mate Audio response system.**

## 4. Strategies for Navigating New Social Security Rules

The impending disappearance of two popular Social Security filing strategies in May 2016--“file and suspend” and “restricted application--could force big changes to the retirement plans of potentially millions of retirement-age married couples and divorcees.

If you're currently receiving Social Security benefits, you likely will not be affected by the prospective changes to rules. However, when the rules change in May, millions of couples could lose the ability to benefit from some combination of the two strategies. Before the rules changed, married couples could employ one or both of two strategies to boost their retirement income significantly:

**File and suspend:** With this strategy, the higher earner, who must have reached full retirement age (FRA), files for Social Security benefits and immediately suspends receipt of the benefits. Because the higher earner filed, the lower-earning spouse is able to claim a spousal benefit. This strategy benefits the couple as each spouse's benefit earns 8% per year in delayed retirement credits until they individually claim their higher benefits.

**Restricted application:** With this strategy for a couple, the lower earner, who must be between age 62 and FRA, files for Social Security benefits, enabling the higher earner, who must have reached FRA, to file a restricted application for spousal benefits. The higher earner's benefits continue to grow at 8% per year in delayed retirement credits until age 70. When the higher earner files for full benefits, the spouse can suspend collecting his or her own benefit and switch to a spousal benefit.

Because of grandfathering provisions in the rules, with planning, some couples and ex-spouses can take advantage of the about-to-be discontinued strategies. Here are four possibilities:

**1. File and suspend:** If you will reach full retirement age by April 30, 2016, you can file and suspend. Make sure you suspend before the deadline, or you and your spouse will reap the negative consequences of the changes to the rules.

**2. Restricted application if age 62:** If you will reach age 62 by the end of 2015, you may file a restricted application to collect a spousal benefit to be received at FRA. You will be able to collect that benefit at any time in the future, regardless of whether your spouse is collecting a benefit or has suspended it.

**3. Restricted application if at FRA:** If you will reach FRA before Jan. 1, 2016, you can use this strategy. Make sure you specifically file a restricted application or the Social Security Administration will determine that you are filing for all benefits currently available to you.

**4. Divorced individuals:** If you are at least 62 years old by the end of 2015, you still will be able to file a restricted application for an ex-spousal benefit to be received at FRA. You may switch to your own benefit when you reach age 70. Proceed with caution: Under current law, as long as your ex is at least 62 years old, you can collect even if your spouse is not collecting. The new rules are not clear about this.

Not all of the grandfathering rules require immediate action. But don't ignore them--in some cases, you need to do something to take advantage of the strategies before they disappear.

Because everyone's situation is unique, speak with a financial professional to learn the strategy that will work best for you. For more information, read “Couples, Sync Your Retirement Plans” in the Home & Family Finance Resource Center.

## Holiday Notice

**New Year's Day—Monday, January 2**

**Martin Luther King Day—  
Monday, January 16**

**Presidents' Day—Monday, February 20**

**Easter—Monday, April 17**

Don't forget that Netbranch (online banking) and Teller-Mate (audio response unit) offers you 24/7 access to your accounts even when we are closed. They both provide self-service functions such as; transfers between accounts, account inquiries, line-of-credit advances, statement transaction histories, etc. Netbranch can be accessed from our website at [www.berkcofcu.com](http://www.berkcofcu.com). You will need to call the office for assistance to initially set-up your account. Teller-mate can be accessed by calling 866-810-6119. You may also obtain surcharge free cash back by using your ATM or VISA Check card at participating POS (primarily STAR) terminals and COOP, STARsf (Allpoint), and Accel-Exchange ATM locations. The following represents a partial listing of retail merchants that participate in the credit union's surcharge free ATM networks; Kangaroo Express, HESS, Sunoco, Walgreens, CVS, Lee's Quick Stop, Swamp Fox Lanes, among others. (Note: surcharge free ATM owner participation is subject to change without prior notice given to Berkeley Community Federal Credit Union).

## Teller-Mate Menu

Call Toll Free 1-866-810-6119

From a touch-tone phone

Press 1-Experienced Users

Enter your 4-digit member number

Enter your Personal Identification Number (PIN)

Transaction Menu  
(Transfer Funds)

Inquiry Menu  
(Balances on All Accounts)  
Change Pin (Enter any new (4) digit  
PIN number followed by #)

General Information  
(Office Hours & Interest Rates)



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