

JANUARY 2019

expanding Horizons



Jump-Start Your Savings Strategy This New Year

The holidays may be behind us but many are now feeling the sting of holiday spending as credit card bills arrive. A new year represents a new start, so this is a good time to focus on your savings in general and what you're stashing away for retirement in particular.

Look to maximize your savings

IRAs, 401(k)s and Certificates are key instruments for savings. You'll want to review whether you are making the most of these savings opportunities. For example, if your employer offers a 401(k) and you aren't contributing to it, you need to get started. Preferably, you'll want to contribute up to the company's matching amount, if they offer one. If you've been maxing out your 401(k) or are turning 50 this year, you'll want to increase your automatic contributions to take advantage of higher limits and catch-up opportunities. Also consider setting up automatic contributions from your bank account or paycheck into an IRA every month. If you work but your spouse does not, you can contribute to an IRA in his or her name, too.

Certificates are another great avenue to maximize your savings.

Savers can mitigate interest rate risk, take advantage of higher yields on longer maturities and increase liquidity by splitting savings among certificates of varying maturities. One way of doing that is with a certificate ladder. For example, with an initial investment of \$10,000 and a maximum maturity of five years, a saver would divvy her money among a one-year, two year, three-year, four-year and a five-year certificate. As the one-year certificate comes due, the proceeds are recycled back into the ladder with savings in another five-year certificate. Given the uncertainty about the timing of the next rate hike, it may make more sense to start with a shorter ladder and then extend it after rates go up.

Review your beneficiaries

The money in your 401(k)s, IRAs and other retirement plans, as well as the proceeds from life insurance policies, will go to the beneficiaries you designate even if you leave other instructions in your will. Take a few minutes each January to review your accounts and make sure your beneficiary designations are still up to date, especially if you were recently married or divorced, had children or grandchildren,

(continued on next page)



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* Annual Percentage Yield (APY) of 3.25% on 60-Month Certificate for the \$10,000 - \$24,999 tier. Other rates and tiers are available with a minimum opening balance of \$1,000. Rate effective 10/10/18 and is subject to change without notice. The APY assumes that all interest remains on deposit until maturity. Withdrawals and fees could reduce earnings. Substantial penalty for early withdrawal. At maturity the certificate will automatically renew for a term of 60 months at the prevailing rate. Not valid with any other offer. Other exceptions may apply.

THIS CREDIT UNION IS FEDERALLY INSURED BY THE NATIONAL CREDIT UNION ADMINISTRATION.

A message from the President of Patriot Federal Credit Union



Happy New Year!

A year ago, we welcomed over 1,500 Neighbors 1st members to our Patriot family. It was just the beginning of a year packed full of initiatives and successes. And what a wonderful ride it has been for all of us at Patriot.

In addition to the merger with Neighbors (which added a second branch location in Waynesboro as well as another ATM location) we continued to improve our Omni-channel by making enhancements to our eBranch (online banking) and Mobile banking platform, re-issuing debit cards with EMV chips for added security, bringing credit cards in-house so members have better access through eBranch and Patriot Mobile, as well as opening a second Hagerstown branch on Robinwood Drive.

Throughout 2018, we experienced significant growth. Thanks to our financial strength and stability, we were able to regularly increase dividend rates on our savings, money market accounts, and certificates as market rates have risen. Recently, Callahan & Associates ranked Patriot in the top 6% of all credit unions, both within the commonwealth of Pennsylvania and nationally. Callahan & Associates ranks credit unions on three measures: return to savers, return to borrowers and member service usage. This ranking reaffirms what many of our staff and members already know – Patriot delivers value.

The Board of Directors and the Management are very proud of the efforts and commitments of Patriot team. They continuously work to make the member experience better with the understanding that improvement is a journey not a destination. With that in mind, we have more in store for 2019 including making additional enhancements to Mobile and eBranch for greater platform parity along with new features like card controls for debit and credit cards. We will also be expanding our business service offering to better meet their needs. Other initiatives are also in the planning process, so stay tuned.

We at Patriot want to personally thank all members for your continuous business – our pledge to you is that we will continue to earn your trust by doing what is right. And if you know a family member, co-worker, or friend who could benefit from our services but isn't yet a member of Patriot, please recommend us to them. We'd love the opportunity to serve their financial needs.

Thank you for the trust you have placed into our credit union.

Sincerely, your servant,

A handwritten signature in black ink, appearing to read "Brad R. Warner".

Brad R. Warner, CEO
Patriot Federal Credit Union

Jump-Start Your Savings (continued)

or experienced other life changes. Also review other legal documents, such as your will, powers of attorney and health-care proxy, to make sure they still reflect your wishes.

Look to refresh your financial plan

The run-up in the stock market has most likely had a positive effect on your overall financial plan; therefore, you may have more retirement options available now than you thought. It's smart to stick to your plan, but it is important to understand how it reacts in both good and bad markets. Setting at least an annual meeting with your adviser to go over your goals, reassess where you stand and consider new strategies makes good sense. Planning always needs to be done, whether the sun is shining or it's raining buckets.

Helpful Tip

When you have a windfall – a bonus, gift, or extra cash for extra work – use the rule of thirds to determine how to use it:

- One third for the past. Use one third to pay down debt you owe.
- One third for the future. Put a second third immediately into some sort of savings or investment.
- One third for the present. Use the final third to make a home or personal improvement or purchase you want.

Information in this article is for informational purposes only. Consult your tax professional for advice.

Did you know?

Did you know the top 2018 New Year's Resolution was "Saving Money", according to a survey by Statista online statistics portal. Nearly 53% of respondents said their resolution for 2018 was to save money, while 45% would like to lose weight or get in shape.

Members Save Up To \$15 on TurboTax and Get a Chance to Win \$25K!



This year, get your biggest possible tax refund and the chance to win \$25,000¹. And, as a credit union member you can **save up to \$15** on TurboTax this tax season.

- **Get a chance to win \$25K.** Just try TurboTax Online for free by February 14th (and provide a valid email address) to be automatically entered to win the TurboTax \$25,000 Sweepstakes.¹
- **TurboTax has you covered.** TurboTax is up-to-date on the latest tax laws and guarantees 100% accurate calculations, so you can be confident your taxes are done right.
- **Real CPAs review your return.** With TurboTax Live, you can talk with a CPA or EA onscreen for unlimited advice and a final review of your return.

To enter the sweepstakes and access the member discount, click on the TurboTax web banner located on our credit union's website. Start today and save!

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TurboTax \$25,000 Sweepstakes. NO PURCHASE OR FINANCIAL DISCLOSURE NECESSARY. Open to legal residents of the 50 United States or the District of Columbia, 18 years of age or older at time of entry, who are customers of participating Financial Institutions or employees of participating businesses. Void in Puerto Rico and where prohibited by law. Sweepstakes ends 2/14/19. Subject to complete Official Rules and all applicable federal, state and local laws. For Official rules including participating Financial Institutions and business, odds of winning, alternate method of entry, and prize descriptions, visit the **Official Rules**. **PRIZES:** 1 Grand Prize: A check for \$25,000. Retail value, \$25,000. 12 First Prizes: A check for \$1,000. Retail value, \$1,000 each. Maximum retail value of all prizes is \$37,000. The odds of winning a prize depend upon the total number of eligible entries received by the end of the Promotion Period. SPONSOR: Intuit Inc., 7535 Torrey Santa Fe Rd, SDG-2A-03-22E, San Diego, CA, 92129.



Enjoy the Savings

Transfer Your Balance to a New

Patriot Visa® Credit Card

1.64% APR FOR 12 MONTHS¹ | 11.99% APR THEREAFTER²

Transferring balances to a credit card with a low-interest introductory period can be an efficient way to save hundreds, or even thousands, of dollars in interest charges. If you're not yet carrying the Patriot VISA credit card, you may qualify for our Balance Transfer promotion featuring:

An introductory rate as low as 1.64% for 12 months on balance transfers with a NO TRANSFER FEE, and an interest rate as low as 11.99% APR after 12 billing cycles.

¹APR = Annual Percentage Rate. Introductory APR for Balance Transfers is as low as 1.64% for 12 billing cycles with NO Balance Transfer Fee. Rate will return to the normal rate based on your credit score following the introductory period. ²APR at the normal variable rate of 11.99% to 18.00% based on your credit score. The APR will vary with the market based upon *The Wall Street Journal* Prime Rate which was 5.25% as of November 1, 2018 plus 6.74% for credit scores of over 700. All loans are subject to credit approval. Must be a member. VISA® is a registered trademark of Visa International Service Association. **THIS CREDIT UNION IS FEDERALLY INSURED BY THE NATIONAL CREDIT UNION ADMINISTRATION.**

Sprint®



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With the Sprint Credit Union Member Discount

As a member of Patriot Federal Credit Union, you can save 10% on personal wireless plans and more. Some restrictions apply. Visit <http://www.lovemycrreditunion.org/sprint-credit-union-member-discount> for more details.

Scholarship for College Bound Students

2019 Baumunk Scholarship Competition

Patriot is committed to assisting young adults who would like to continue their education. Each year, the Richard E. Baumunk Memorial Scholarship is awarded to a high school senior who will be attending an institution of higher learning immediately after graduation.

The winner will receive a \$2,500 scholarship awarded over 2 years, with the second year's distribution contingent upon a first year GPA of 2.5 or higher. The scholarship was established in the memory of Richard Baumunk, a former educator and member of the board of directors.

To qualify for the scholarship, you must meet the following requirements:

- Be a member of Patriot with at least \$5 in a share savings account
- Be a 2019 graduate with a GPA of 2.5 or higher and be accepted as a full-time student at an institution of higher learning carrying 12 credit hours or more
- Submit a 300 to 500 word typed essay entitled, "My Credit Union is important to me because..."

To enter this year's competition, submit a cover sheet with your name, address, telephone number and Patriot account number, along with your essay to:

Patriot Federal Credit Union
Scholarship Competition
Attn: Marketing Department
P.O. Box 778
Chambersburg, PA 17201-0778

Essays must be received by Patriot's Marketing Department no later than **Friday, April 5, 2019**.



Getting a Tax Refund via Direct Deposit?

Follow These Instructions for the Routing and Account Number

If you're filing your taxes and are expecting a refund, please provide the following information to ensure that your refund is processed correctly:

■ **Patriot's Routing and Transit Number**
231379979

■ **Your Patriot Account Number**

- Refund Deposited into your Checking Account – use the 12 digit number on the bottom of your checks beginning in "77001..." and choose checking.
- Refund Deposited into your Savings Account – use your membership identification number on your membership card and choose savings.

Make sure you **DO NOT** use your debit card number as the account number, as this will cause a rejection and/or a delay in processing your refund. Please be sure that the beneficiary of the tax refund is an owner of the account to which the direct deposit is being made.

IMPORTANT NOTICE About Your Money Market Savings Account

Please be advised that beginning March 1, 2019, the minimum balance required to earn a dividend for the Money Market Savings Account (MMSA) is \$2,500. The minimum balance to open an MMSA would remain at \$1,000.