

Belco Connections

A publication for members of Belco Community Credit Union.

June 2019

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COMMUNITY CREDIT UNION

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Amey's Corner

Eight decades of member service

This year, we celebrate 80 years of serving our members. Our history begins in 1939 with employees of American Telephone and Telegraph, a division of Bell Telephone. A small group of employees formed a credit union during a time when the United States was recovering from the Great Depression. Most people did not own cars, and they rented their homes. Households also often included three generations.

During these times, a cooperative business model resonated with our founders. They were attracted to a system that was based on the values of self-help and equality of members. The “people helping people” mantra translated to helping members save for the holidays, buy autos and save to buy homes. The credit union became a natural extension of our members’ families.

A few other interesting facts from our early days as a credit union:

- In the 1940’s, the credit union’s investments included **war bonds**, and annual meeting gifts were **war stamps**... a true indication of the times.
- In 1959, President Eisenhower legislated that dividends be paid by credit unions.

Over the years, Belco continued to grow. We were housed in various office locations throughout downtown Harrisburg, including the State Theater Building, Pine Street, Front Street, and Second Street. In 2007, we moved to our current Swatara Township location. We now have 14 branches and our call center to serve our more than 65,000 members. Over the years, several credit unions – including Quaker Oats, Capital Health Systems, LEBCO, Our Family, and most recently, Cornerstone FCU – joined with Belco through mergers.

We are now much larger with broader membership eligibility. Much has changed for sure.

Member satisfaction remains a top priority

Members have spoken loud and clear in 2018. After a record number of responses to our annual survey, we are pleased to announce that our Member Loyalty Index (MLI) reached its highest rating in the last five years!

Some other survey highlights include:

- Members expect fast, friendly, accurate, and convenient service.
- Belco employees exceeded expectations in problem resolution. We attribute this success to our high performing staff on the front line and their peers in a variety of support departments of the credit union.

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Member Bulletin Board

Holiday Closings:

Independence Day – Thursday, July 4

Labor Day – Monday, September 2

• Congratulations to all of the winners in our **annual scholarship essay contest**. The following students received a **\$1,000 scholarship** towards their continuing education: Kyle Putt of Enola, PA; Colin Boyd of Newville, PA; Benjamin Cook of Carlisle, PA; Hafiza Ferhatovic of Carlisle, PA, and Jenna Brobst of Walnut Bottom, PA.

• In celebration of our **success during Youth Month** in April, Belco again **donated \$1,000 to the Ronald McDonald House** in Hershey. Thanks to all the kids and teens who made deposits and opened new accounts to help us reach our goals. **Lydia Joy Allen** of Bellwood was the big winner of the Apple iPad!

Other **Youth Month winners** were: **Madelyn Paetzold** of Mechanicsburg, who won the Safari Club coloring contest and a \$50 Target gift card; and **Blaine Stoner** of Carlisle, who won the Xtreme Teen Club essay contest and a \$50 Target gift card. Blaine submitted a photo and 300-word essay about what he is saving for and how he plans to reach his goal. In addition, one youth member from each branch won a \$50 Visa gift card.

BELCO IN THE COMMUNITY:

• **Wednesday, July 17 – Vizo Financial Hot Dog Eating Contest.** Held annually on National Hot Dog Day, the event features local credit union employees putting their competitive eating skills to the test. All proceeds benefit **Children’s Miracle Network**.



On April 27, several Belco employees joined over 1,000 volunteers for the 2019 Day of Caring in Lebanon with the United Way of Lebanon County.

• **Saturday, July 27 – Hanover Dutch Festival.** Join us in downtown Hanover for crafts, food and entertainment. Stop by our tent to spin the prize wheel and enter our gift card drawing.

• **Tuesday, Aug. 6 – National Night Out.** Belco will attend this annual community and police awareness-raising event at various locations in Hanover, Gettysburg, Harrisburg, Carlisle, Newville, and Lancaster.

• **Saturday-Monday, Aug. 31-Sept. 2 – Kipona Festival.** Held along the

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Millennial Money: 'Tidy up', So Each Dollar Sparks Joy

Marie Kondo has inspired countless people to wipe out clutter. Her KonMari organizing method, popularized by her book and Netflix series, lays out how to get more joy from your life and possessions.

This approach can extend to your money, too. Applying her mindset can reduce the financial clutter in your life and help you make a better plan for each dollar. Here's how to "Marie Kondo" your finances.

Commit — and Imagine a Better Future

Before you dive in, commit yourself to the task and visualize what you'll gain. Do you want to spend less on eating out? Are you saving up for a car or a house? Have a clear picture of your goal — a zero balance on your credit card, or that new car or home — to stay focused throughout the process. "If you can create a mental image of what your life with your money will look like on the other side, it's a lot easier to create a path to get there," says Kimberly Zimmerman Rand, a Boston financial coach.

Understand Your Categories

Kondo's method of tidying focuses on sorting through categories, like clothing, books and paperwork, and miscellaneous items. Pull a few months of bank and credit card statements and take the same approach to your three main spending categories: needs, wants and savings:

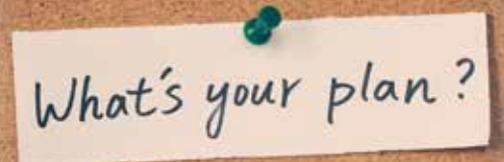
- **Needs:** The non-negotiables, like housing and debt payments, fall into this category. These monthly expenses may not bring you joy, but they keep a roof over

your head and your credit score afloat. If this category consumes an outsized portion of your income, see where you can trim. Trading in your car for a less expensive one, for example, could mean an extra \$100 in your bank account every month. That gives you the ability to tuck a little more into savings. Debt payments may be an unavoidable part of your budget, but you can find ways to make them fit more neatly. If you're sorting through a mess of credit card bills, for example, see about reworking the terms. By consolidating debt onto a credit card with an introductory 0% interest rate or via a personal loan, you can pay less in interest, though you'll need good credit to qualify. And you'll have less paperwork and fewer monthly payments to manage.

- **Wants:** Chances are, this category brings you the most joy — but it's also likely where you can trim the most. Expenses like meals out, new clothes, or vacations fit here. Examine your spending on wants and ask if each one brings commensurate enjoyment. If not, trim or cut that expense. Keeping that money in your accounts could make you happier by reducing financial stress or helping you see progress on retirement savings. Subscription services are an easy target, says Brian Walsh, a certified financial planner and manager of financial planning at SoFi, an online lender. "When people start tracking their spending, they may see unused services come up," Walsh says. "Gym memberships, game memberships, Netflix and Hulu at the same time. These can be easy cuts to make."
- **Savings:** This category can be a little too easy to keep minimal. In fact, 4 in 10 Americans said they couldn't come up with \$400 in an emergency or would have to borrow or sell something, according to a May 2018 report by the Federal Reserve. Building up your savings helps keep your finances tidy when life gets messy, such as when a sudden car repair pops up. Tucking away even \$50 a month can make a difference.

Set Yourself up for Success

Once you've tidied up your spending categories, it's time to set yourself up to achieve financial goals. Streamline your money management and reduce paperwork you may have lying around. Automating payments for things like utility bills, student loan payments and credit card payments is an easy option. It also protects you from accidentally missing a payment and tanking your credit score. Shred old financial paperwork, such as bank statements or paid utility bills. Signing up for digital versions online means there's no need to keep them. Don't go overboard, though; you do want to hang on to tax documents.



("Member Bulletin Board" continued from page 2)

Harrisburg Riverfront, there is always plenty of good food and entertainment during this annual end of summer celebration. Stop by our tent to spin the prize wheel each day!



Belco was recently recognized and honored with the Leaders in Financial Literacy Award by the Pennsylvania Credit Union Foundation at its annual luncheon in Hershey. Our program, entitled Believe in Community, focuses on helping the communities we serve through targeted education programs, skill building activities and service solutions to improve lives and communities. Pictured left to right: Charlene Lentvorsky, Business Development Manager; Lisa Moyer, Community Relations Coordinator; Angela Barlup, Business Development/Financial Literacy Representative; Tricia Heisey, Business Development/Financial Literacy Representative; Amey Sgrignoli, CEO; Paul Perini III, SVP of Retail; and, Adam Stewart, VP Marketing.



Belco is a proud partner of the 2019 Lancaster Barnstormers, and several employees joined in the fun of opening night on April 26



Belco employees and members celebrated our 80th anniversary on March 7 with free cake and prize drawings at all branches.

Did You Know...

Humans share 50% of our DNA with bananas.

Source: www.mirror.co.uk



Behind the Scenes with Belco – Meet Sara G., Regency Square Branch Head Member Service Associate

“I started my career at Belco around 2.5 years ago as a teller. I had been a stay at home mom for close to 10 years before I decided to go back to work. I was looking for something entry level, as I had my kids young and hadn’t really had a chance to get started on a career when I was younger. I immediately noticed the difference in Belco’s application from the others I had seen. The questions were fun and not typical of a normal job application, which I liked. I was hired as a teller in December of 2016.



After almost 2 years, I was promoted to Head Teller at the Regency Square branch, and I absolutely love the position. I do so many different things on a daily basis and am learning so much about the daily operations of running the branch. One of the things I love most about working on the teller line is the close interactions that I get to have with our members. I get to know them personally and really enjoy talking to them about their lives and helping them every day.

Working for Belco has been a wonderful experience for me. I have been given the chance to learn and grow so much both professionally and personally. The people I work beside each day truly feel like my family, and I couldn’t ask for more support and encouragement from them. I look forward to what my future at Belco holds.

When I am not at work, I enjoy the beach, being outdoors and of course spending time with my husband and our three boys going to one of their many sporting events.”

BELCO REWARDS

**Fuel Your Rewards
Earn Double Points on Gas Purchases in July!**

Details at belco.org

How to Save & Invest, Even if Money Is Tight For Millennials, Today is the Right Time

A message from Belco Retirement & Investment Services

If you are under 30, you have likely heard that now is the ideal time to save and invest. You know that the power of compounding interest is on your side; you recognize the potential advantages of an early start.

There is only one problem: you do not earn enough money to invest. You are barely getting by as it is.

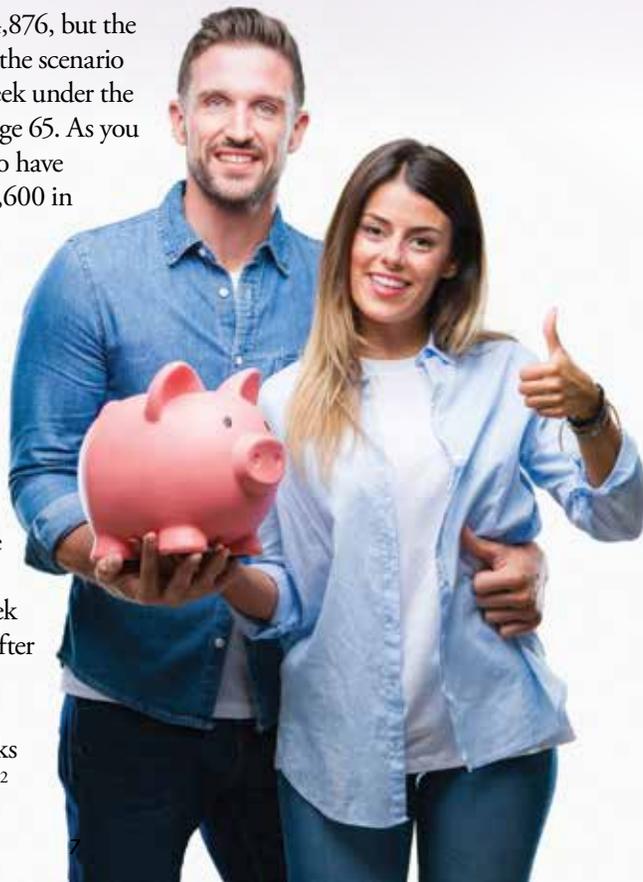
Regardless, the saving and investing effort can still be made. Even a minimal effort could have a meaningful impact later.

Can you invest \$20 a week? There are 52 weeks in a year. What would saving and investing \$1,040 a year do for you at age 25? Suppose the invested assets earn 7% a year, an assumption that is not unreasonable. (The average yearly return of the S&P 500 throughout history is roughly 10%; during 2013-17, its average return was +13.4%.) At a 7% return and annual compounding, you end up with \$14,876 after a decade in this scenario, according to Bankrate's compound interest calculator. By year 10, your investment account is earning nearly as much annually (\$939) as you are putting into it (\$1,040).^{1,2}

You certainly cannot retire on \$14,876, but the early start really matters. Extending the scenario out, say you keep investing \$20 a week under the same conditions for 40 years, until age 65. As you started at age 25, you are projected to have \$214,946 after 40 years, off just \$41,600 in total contributions.²

This scenario needs adjustment, considering a strong probability: the probability that your account contributions will grow over time. So, assume that you have \$14,876 after ten years, and then you start contributing \$175 a week to the account earning 7% annually starting at age 35. By age 65, you are projected to have \$1,003,159.²

Even if you stop your \$20-per-week saving and investing effort entirely after 10 years at age 35, the \$14,876 generated in that first decade keeps growing to \$113,240 at age 65 thanks to 7% annual compounded interest.²



How do you find the money to do this? It is not so much a matter of finding it as assigning it. A budgeting app can help; you can look at your monthly cash flow and designate a small part of it for saving and investing.

Should you start an emergency savings fund first, then invest? One school of thought says that is the way to go - but rather than think either/or, think both. Put a ten or twenty (or a fifty) toward each cause, if your budget allows. As ValuePenguin notes, many deposit accounts are yielding 0.01% interest.³

It does not take much to start saving and investing for retirement. Get the ball rolling with anything, any amount, today, for the power of compounding is there for you to harness. If you delay the effort for a decade or two, building adequate retirement savings could prove difficult.



Jessica Aquiler & Eric Pasquini at Belco Retirement & Investment Services may be reached at 717-720-6220.

<https://CBSinvestorconnection.com/Advisors?cuid=03701254>

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Citations:

1-nerdwallet.com/ blog/investing/ average-stock market -re turn/(2/28/18)

2-bankrate.com/ calculators/savings/compound-savings-calculator-tool.aspx (7/26/18)

3-valuepenguin.col11/ average-savings-account-interest-rates (7/26/18)



Financial Advisor Recognized for Leadership

Pasquini Appointed to Senior Advisor Leadership Team

Eric S. Pasquini, financial advisor with Belco Retirement & Investment Services, has been appointed to the **Senior Advisor Leadership Team** (SALT) with CUNA Brokerage Services, Inc. (CBSI). This distinction is awarded to a **select number of financial advisors registered with CBSI** who demonstrate a consultative approach with their clients, exceptional sales productivity, and leadership within their credit union and among their peers.

Pasquini, with over 19 years of experience in the financial industry, is available to meet with individuals to evaluate their financial situation, offer recommendations, and coordinate their investment and insurance choices.



“I look forward to continue serving the retirement planning and wealth management needs of Belco’s membership,” says Pasquini. “I can help members identify their major financial objectives or recommend strategies to help them achieve financial security – even provide an objective second opinion on their financial situation.”

“We are very excited to support Eric’s participation in the Senior Advisor Leadership Team, as this opportunity will allow him to share his experience with other advisors as a mentor,” said Amey Sgrignoli, Belco President/CEO. “He is a valuable addition to the program and this is a natural next step for Eric in his career with CBSI. We congratulate Eric on this accomplishment and look forward to his continued success with Belco Retirement and Investment Services.”

In addition to providing sound input and representing his fellow advisors with CBSI leadership and staff, **Pasquini also serves as an ambassador for CBSI** and its advisors across the country.

“In collaboration with our credit union partners, CBSI Advisors play an instrumental role in guiding our firm to help people achieve financial security through retirement,” said Rob Comfort, President of CUNA Brokerage Services Inc. “By being appointed to our 2019 Senior Advisor Leadership Team, Eric has demonstrated a commitment to our mission and has earned the confidence of his peers to help lead our firm into the future.”

For a no-cost, no-obligation consultation with Eric Pasquini, call (717) 720-6220.

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(“Millennial Money” continued on page 4)

To keep up the good habits in the long run, Kristen Holt, CEO of the nonprofit credit counseling agency GreenPath Financial Wellness, recommends focusing on your goals. “Take steps to set and forget your finances, like automating payments,” Holt says. “And continue to tie your work back to your dream.”

We Can Help You Get Started

Through Belco’s partnership with GreenPath, you have free access to confidential, one-on-one financial counseling, debt management services, and financial education tools. Their professional, caring financial coaches will work with you to assess your situation, explain the options or solutions available, and help you create a spending plan to meet your goals. To learn more or talk to a counselor at no charge, call 877-337-3399, or visit www.greenpath.com



Sources: NerdWallet, 4/30/19; www.greenpath.com

(“Amey’s Corner” continued from page 1)

- Members also gave us high ratings for our online banking and rewards programs.

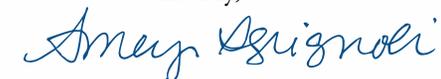
Employee satisfaction is equally important

Our employee count reached 190 this year, another milestone for Belco. We place a high degree of importance on providing employees with competitive compensation and benefits. We are excited to see employees grow and continue their careers with us, and many are transitioning into leadership roles. This internal advancement is exciting to see. It is important that all employees enjoy realistic career opportunities.

Growth of Belco

Our asset size grew almost \$18 million in 2018 to \$613.6 million, driven largely by strong loan growth. Share and certificate growth exceeded \$19.5 million, and our capital position remains strong at 10%, growing by \$3.6 million last year. Our investment in systems and in people set a strong foundation from which we can grow. As always, we thank you for believing in Belco. We believe in you!

Sincerely,



Amey R. Sgrignoli
President/CEO

The Making of a Belco Commercial

We recently completed a new commercial – which you will hopefully see soon on your TV or mobile device – and wanted to share a few images from the video shoot.

It was a pleasure to include several of our long-time members in the commercial, which focuses on our longevity in our local communities. Our Marketing team loved meeting them and hearing why they chose Belco and what has kept them here year after year.

The commercial was filmed and produced by CAP Collective, a video production company in Harrisburg. Their team really took the time to understand our vision, offer suggestions, and add extra touches that made the final product that much better. And special thanks to Sue Campbell from WINK 104 for providing the voiceover; we are honored to have one of the area's most recognizable voices tell our story.

We are excited for you to see our newest commercial, and hope you enjoy it as much as we enjoyed creating it. Thank you for believing in Belco!

