

INSIDE

- 1 Amey's Corner
- 2 Member Notes & News
- 4 In Their Own Words
- 5 Understanding Your Credit Score
- 11 Board News





A Look Back at 2020 & What to Expect in 2021

2020 was a year of tremendous change at Belco. A year that started out with strong economic conditions and a very favorable outlook very quickly became a year that no one had imagined. Everyone has experienced some degree of change personally, professionally and in their communities.

At Belco, we found that working from home is possible and productive. We also learned that we miss face-to-face interactions with each other and our members and need to find ways to stay connected until

we are meeting again. We also saw teamwork and camaraderie build in new ways as employees went above and beyond to meet our members' needs.

Despite the challenges of the past year, your credit union remains on solid financial footing. Belco grew total assets by \$108M in 2020, ending the year with total assets of \$741M. Throughout the year, the entire credit union focused on efficiency and mitigating unexpected expenses. As a result, we ended the year with \$4.7M in net income and a capital to asset ratio of 9.78%.

Most importantly, we were able to provide necessary concessions to our members who suffered job loss or were in some way negatively impacted by the pandemic. By implementing loan modifications, forbearance arrangements, and payment plans, our most affected members received much needed flexibility until they returned to work or recovered from hardships.

Member Service Remains at the Forefront

Belco continues to be convenient for our members. Our curbside delivery service has proven to be a solid substitute for walk-in transactions. For our members' convenience, we added an online appointment scheduler that allows members to schedule a time to meet with a member of our team in person for more complex transactions. In addition, our texting solution on loan applications is here to stay; we also plan to continue digital signature capabilities for loans and member enrollment documents.

We ask that you continue to use our drive-thru lanes and ATMs whenever possible. By using Money Manager online or on our mobile app to deposit checks, transfer funds and monitor account activity, you can bypass wait times in drive-thru lanes.

The relocation of our Allentown Boulevard branch to a larger facility is expected mid-year. This location offers greater accessibility, improved office space and a full-service, multi-lane drive-thru along with enhanced technology options. Be on the lookout for the next generation of ATMs later this year. We are introducing Interactive Teller Machines (ITM) that incorporate live representatives through video into the traditional ATM experience.

(“Amey’s Corner” continued on page 7)

Holiday Closings:

Memorial Day – Monday, May 31, 2021

Independence Day (observed) – Monday, July 5, 2021

- Congratulations to all of the winners in our **annual scholarship essay contest**. The following students received a **\$1,000 scholarship** towards their continuing education: Jenna Bittinger of Lewisberry, PA; Katelyn Murawski of Harrisburg, PA; Emilyn Schwartz of Boiling Springs, PA; Maddalena Reece of Harrisburg, PA, and Olivia Kenyon of West Chester, PA.

Belco in the Community

Belco is always working hard and doing good things for members and the communities we serve. Check out our latest activities:

- Belco teamed up with nine local hospitals to **welcome the first baby of the New Year** in those areas. Belco provided a gift basket and a \$50 gift certificate



towards a new account opening for the first baby born in the new year at the following hospitals: UPMC Pinnacle Harrisburg; UPMC Pinnacle Lititz; UPMC Pinnacle Carlisle; UPMC Pinnacle Memorial of York; UPMC Pinnacle Hanover; Women’s & Babies Hospital – Lancaster General Health;

WellSpan Gettysburg Hospital; WellSpan Good Samaritan Hospital of Lebanon, and Penn State Health Milton S. Hershey Medical Center.



- On the first Friday in February, Belco employees supported the American Heart Association’s Go Red for Women campaign. By wearing red shirts, socks, shoes, etc., employees joined the annual national event to raise awareness and funds for the eradication of heart disease and stroke. Donations totaling \$600 were presented to the American Heart Association.

- Belco recently sponsored the City of Harrisburg’s Ice in the Burg event, which featured 55 unique ice sculptures



– including the Belco bell – on display throughout the city from March 5-7.

One Loan, Zero Fees, Endless Possibilities

Believe in smart borrowing to finance your dreams, whatever they may be, with a fixed-rate Home Equity Loan. Apply 24/7 at belco.org.

Rates starting at
2.99% APR¹
(up to 120 months)



¹APR=Annual Percentage Rate effective as of 3/15/21, and is subject to change. Rate shown includes a .25% deduction for automatic payment from a Belco account, and is based on loan-to-value (LTV) up to 80% and payment of recording fee by Belco. Sample terms: If you borrow \$35,000 at 2.99% APR for a 10-year term, your estimated monthly payment may be \$338.26. Available only on primary, owner-occupied, 1-4 family residences in PA. Proof of property insurance required. Minimum \$5,000 new money required if Belco loan is being refinanced. Rate may differ depending on creditworthiness, LTV, loan amount and term of the loan. Cannot be combined with any other rate discount. Consult a tax advisor for further information regarding deductibility of interest and charges. Offer subject to change or cancellation at any time without notice. All loans subject to credit approval. Equal Housing Opportunity

In Their Own Words



Belco members are speaking out! We love to hear about our members' positive experiences and outstanding service provided by Belco employees. If you have a story you would like to share with us, please submit it any time at www.belco.org/hear-from-our-members.

"I have been with many banks over my 54 years of life and we opened an account six years ago to be able to purchase our first home. Belco has had our backs even when we were struggling and overdrafting. They have worked with us and were very compassionate and became our cheerleaders during the tough times. Now, we have two accounts through them and I will never change banks again!"

— Yvonne J.

"I love Belco because they actually take the time to care about YOU, your family, your needs and get to know your situation. You're not another number to them. My experiences with Belco have been nothing but positive and that's why my family continues to be members after all these years!"

— Alaina S.

"Why I Love Belco... I live in South Carolina and my paycheck gets deposited in my account! I have also been with Belco for many years! Also when we came home for a vacation I was able to get a car loan for my daughter and was approved the same day! Thank you so much!"

— Kathy W.

"I love Belco because I am so much more than an account number. They know me by name, I've watched their kids grow up, we have attended community events together. They are not faceless shareholders, they live and work in our community. They are awesome people!"

— Shelly R.

The 5 Factors That Affect Your Credit Score (And Simple Ways to Boost Them)

A message from GreenPath Financial Wellness

Whether you're looking to get your first credit card for everyday expenses or take out a mortgage to purchase your first home, credit is an essential tool in meeting financial goals. When applying for a loan, the higher your credit score, the more likely you will be to qualify, and the more options you will have available to you. Here, we'll break down the 5 factors that influence your score - in order of most heavily weighted to least - and the simple yet effective steps you can take to give your score a boost.

Payment History (35%)

Payment history is the biggest single factor used to calculate your credit score. Late payments (even a couple of days), past due accounts, and accounts in collections all have a negative impact on your credit. Regular, on-time payment of the minimum amount (or greater) will improve your credit score. An on-time payment history in the range of 18 months or longer will begin to show results in a growing credit score.

Quick Tips for Improving Payment History:

- **Set up automatic payments.** This is the easiest way to ensure you never miss a future payment.
- **Change your billing due date.** Consider changing your payment due date to align better with your personal situation (e.g., spacing out bills to make them more manageable or ensuring your payment date is after an income deposit date).
- **Explore hardship/deferment options.** If you're having trouble making ends meet, call your creditors and request a forbearance or payment deferral. They may also be able to waive late fees or even allow a lower payment for a period of time.

Amount Owed (30%)

Your credit utilization is determined by the amount you owe compared to the total credit limit available to you, expressed as a percentage. (For example, if your card

Understand Your Current Credit Snapshot

Federal law requires each of the three nationwide consumer credit reporting companies -Equifax, Experian, and TransUnion -provide you a free credit report every 12 months if you ask for it. While these reports don't contain your actual score, they can be very helpful in identifying what might be affecting it (as well as any inaccurate information that may need correcting). Request yours at annualcreditreport.com.



balance is \$600 and you have a spending limit of \$2,500, your credit utilization is $\$600/\$2,500$ or 24%.) As a rule of thumb, your credit utilization should be no more than 30%.

Quick Tips for Improving Amount Owed:

- **Pay down your balance early.** Making small payments throughout the month can help keep your balance down and lower your credit utilization.
- **Decrease spending.** Find areas where you can cut back on spending.
- **Ask for a credit line increase.** Requesting a limit increase is the simplest way to decrease your credit utilization without having to cut back on spending.

Length of Credit History (15%)

The length of your credit history is important, since it is an indication to creditors what kind of borrower you may be in the future. It's determined by the length of time your credit accounts have been open, and also considers the mix of account types and amount of time since they were last used.

Quick Tips for Improving Credit History:

- **Get a secured credit card.** Backed by a cash deposit, a secured credit card can be an excellent, low-risk way for those who have not had a credit card previously to start building credit.
- **Keep credit cards open.** Closing a credit card can negatively affect your score.

("Credit Score" continued on page 8)

Money Hack

Larger gardening equipment, like mowers and tillers, are deeply discounted during Memorial Day sales, making the start of summer an excellent time to stock up on pricey garden tools.

You're Invited to GO BIG!

Join Belco in support of Big Brothers Big Sisters of the Capital Region

Belco is a proud sponsor of the **Big Brothers Big Sisters of the Capital Region's** spring fundraising event, **Go BIG for Kids' Sake Virtual 5K!**

From now through May 31, Belco will be forming teams to walk or run a 5K and raise funds to positively impact the life of a child in our community. To participate with us, you can register for the event and run, walk, jog, skip or stroll your way to the finish line of your favorite trail or walking path. **To register, go to www.capbigs.org, and look for the "Register Now" link on the homepage.**

Our minimum fundraising goal is \$80 per person, so be sure to ask your friends and family to support you with a donation. **Prizes will be awarded to the top fundraising individual and team.** You can also order your optional **race package**, which includes a t-shirt, race medal, bib, and option to track your race; cost is \$35.

Not interested in a 5k? Not to worry! You can still **Go BIG FOR KIDS' SAKE** with another activity or challenge of your choice.

Belco invites you to join us in the challenge, so that together, we can make a BIGGER difference!



("Amey's Corner" continued from page 1)

We are excited to see that the state is relaxing restrictions and vaccine access is becoming more widespread. We will make the transition back to walk-in business in some locations in the near future. We miss seeing members and each other regularly, but also remain vigilant. We respect the process of vaccine distribution, and patiently look forward to a time when we can return to more in person and face-to-face transactions.

Our focus on service to our members remains our primary driver, while also maintaining safety and soundness of the credit union. We are committed to evolving the credit union with investments in staffing, training, and technology to keep pace with the highly competitive financial services environment.

We thank you for your patience over the last year, we thank you for your business, and we thank you for believing in Belco.

Sincerely,

 Amey R. Sgrignoli
 President/CEO

The Path to Financial Wellness Starts Here.

No matter what your goals may be, our partners at GreenPath can help you to take control of your day-to-day financial choices to create more opportunities for achieving your dreams.


Create a Budget


Save More


Pay off Debt


Improve Credit


Buy a House


Plan for the Future

Connect with a GreenPath counselor today:

 877-337-3399

 www.greenpath.com/belco

 **GreenPath**
financial wellness

("Credit Score" continued from page 6)

Credit Mix (10%)

Credit mix is determined by looking at the types of credit you are carrying (this includes credit cards, retail accounts, installment loans, mortgage loans, etc.), as well as your payment history in each area.

Quick Tips for Improving Mix:

- **Explore loan options that work best for you.** Your credit mix isn't the most impactful category, and you shouldn't pursue loans unless they make sense for you and your personal needs. In fact, you may already have a fair credit mix - things like credit cards, personal loans, auto loans, and mortgage loans are all considered different types of credit.
- **Make sure you pay loans on time.** A good credit mix is moot if you aren't making timely payments – ensure you are making at least the minimum payments on your outstanding loans each month.

New Credit (10%)

Research shows that opening several credit accounts in a short amount of time represents a more significant risk - especially for someone without an established credit history.

("Credit Score" continued on page 14)

Money Hack

Experts recommend booking your flight 54 days before your departure date to get the best prices on airline tickets.

5 PROS & CONS OF 401(K) ROLLOVERS

Have recent events resulted in job loss? In addition to making decisions about new career opportunities and making ends meet, you might also be faced with a decision about what to do with your retirement account from a previous employer.

Should you rollover your 401(k), leave it where it's at or do something else with the money? Consider these factors first, and talk with a financial professional who can help you address others that may apply to your situation:



INVESTMENT SELECTION

With an employer-sponsored retirement account, there's typically a similar portfolio offered to everyone. When you choose to rollover that 401(k), you might gain access to a wider range of investment options including stocks, bonds, mutual funds, index funds, annuities and others that allow you to tailor your investments to your personal risk tolerance. A financial professional can help you sort through your options.



ACCESS TO ACCOUNT INFORMATION AND ADVICE

Gaining access to information about your plan by going through a previous employer may be a challenge down the road, especially if they end up shutting their doors due to an economic downturn. If that happens, you may not be able to get the advice you want. Working with a financial professional might be easier and he/she can give you advice specific to your situation.



TAXES

Some investors are concerned that they'll be hit with more taxes if they transfer funds to a new account. If a rollover makes sense for you, you likely don't need to worry about this since a direct rollover won't be hit with taxes. Your investments will continue to grow on a tax-deferred basis, and taxes will only be assessed when distributions are made from your account.



EARLY ACCESS TO FUNDS

While accessing funds prior to age 59 ½ can be accomplished for both employer-sponsored funds and IRAs, there are advantages and disadvantages to each. For instance, there may be penalties for early withdrawals.¹ A financial professional who understands your particular situation can help you determine whether you're better off leaving your retirement savings in the employer plan or rolling it over to an IRA, along with any associated implications for early withdrawals.



FEES, EXPENSES AND GUARANTEES

The fees associated with employer-provided retirement accounts can vary greatly and you may be able to have lower fees and expenses in a rollover IRA. In addition, there may be investment options available for your rollover that can provide protection against downturns in the financial markets that may or may not be available in your employer-provided plan. Ask your financial professional about potential fees, asset protection, minimum balance requirements and other factors.

What makes most sense for you – leaving your retirement account in your previous employer's plan or rolling it over to an IRA? The best way to know is to talk with a financial professional who can help you understand your financial situation, give you personalized advice, and leverage the use of our Rollover Analysis Tool. Make your appointment to start the conversation now!

A financial professional at your credit union is here to help you today.



The Financial Advisors at Belco Retirement & Investment Services may be reached at 717-720-6220.

SOURCE:
¹ Consumer Financial Protection Bureau, Considering an early retirement withdrawal? CARES Act rules and what you should know, June 30, 2020

Representatives are registered, securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, which is not an affiliate of the credit union. CBSI is under contract with the financial institution to make securities available to members. Not NCUA/NCUSIF/FDIC insured, May Lose Value, No Financial Institution Guarantee. Not a deposit of any financial institution.

CBSI-31969961-0820-0922

© 2020 CUNA Mutual Group

BOARD NEWS

Belco Announces Retirement of Three Board Members

The Board of Directors of Belco Community Credit Union announce the retirement of three members of the Board of Directors: Doug Graham, Richard Lytle, and Calvin Smith. The retirements were effective at the close of the Annual Meeting held on March 31, 2021.

Prior to joining the Belco Board, Doug Graham served on the Board of Cornerstone FCU from 2015 until its merger with Belco. Mr. Graham served on the Governance, Nominating and Annual Meeting committees. Additionally, he served as Assistant Board Secretary and Annual Meeting Chair.

Richard Lytle began his volunteer service with Belco as a member of the Supervisory Committee in 1983, before moving to the Board of Directors in 1986. Mr. Lytle served in a number of leadership roles, including Assistant Treasurer, Treasurer, Vice Chair and 11 total years as Board Chair.

Calvin Smith began his volunteer service to Belco as member of the Supervisory Committee, where he served for 10 years, including a term as Committee Chair. Mr. Smith then joined the Board of Directors in 2014 and moved to Director Emeritus in 2016. During his Board tenure, he served on numerous committees, including Personnel and Benefits, Annual Meeting and Education, where he served as Chair.

“On behalf of the Board of Directors, I would like to thank each of the volunteers for their dedicated and valuable service to Belco,” commented Terry M. Hessler, Board Chair. “Through their thoughtful leadership, Belco has continued to grow and best serve its members and the community. The entire organization wishes them well.”

Board of Directors, Supervisory Committee Election Results Announced

During its virtual Annual Business Meeting on March 31, incumbents Terry M. Hessler and William F. O’Donnell were re-elected to serve a three-year term on the Board. A Belco member since 1984, Mr. Hessler is currently Board Chair, and has served as a Belco volunteer for more than 18 years. Mr. O’Donnell has been a Belco volunteer for more than 35 years, and has previously served as Board Chair and Vice Chair. Nancy Clay and Eric E. Leidigh were also re-elected to serve a three-year term on the Supervisory Committee.

Belco’s Board of Directors and Supervisory Committee are comprised of member-volunteers who dedicate their time and expertise to the betterment of the credit union.



Doug Graham



Richard Lytle



Calvin Smith

Belco also announced the following slate of officers and directors for 2021:

Board of Directors

- Terry M. Hessler – Board Chair
- Richard P. Myxter – Vice Chair
- Stephanie F. Miller – Treasurer
- Jeffrey Cohick – Asst. Treasurer
- Beverly A. Lilley – Secretary
- Dawn Gamble – Asst. Secretary
- Margaret A. Minnich, Director
- William F. O’Donnell, Director
- Lavern R. Shearer, Director
- Donald B. Person, Director Emeritus

Supervisory Committee

- Nancy Clay – Chair
- Eric E. Leidigh – Vice Chair
- Chris R. Feather – Secretary
- Gina Bond, Member
- Allen Brewer, Member

Belco’s Board of Directors and Supervisory Committee are comprised of member-volunteers who dedicate their time and expertise to the betterment of the credit union.

A full copy of Belco’s 2020 Annual Report, highlighting the credit union’s accomplishments and financial reports, can be found at www.belco.org/annualreport.

How Much Does it Cost to Own a Dog?

Would you love to have a dog, but not sure you can afford one? Owning and caring for a furry canine isn't free, but it helps to have an idea of what to expect so you can budget for these new expenses.

If you decide to buy a purebred from a breeder, it could cost you \$500-\$2,000. If you get your dog from a shelter, you can expect to pay \$50-\$200.

Doggy gear, including a bed, collar/leash, feeding bowls and some toys, should run you about \$50-\$200. Training can cost anywhere from \$25 for a single class up to \$300 for a full course. If your dog needs spayed or neutered, this can add \$20-\$300. Licensing, vaccinations and a microchip will add \$110-\$360. **Total one-time costs: \$255-\$3,160**

Dog food

How much you'll spend on dog food depends on several variables. The cheapest dog food can cost less than a dollar a pound, but if you go gourmet, expect to pay up to \$1.60/lb. The size of your dog also plays a role. A small 3-pound pup will only need 140 calories a day, or 1/3 cup of food, while a 100-pound beast will need a whopping 1,925 calories a day, or 4 1/2 cups of food. Finally, consider your dog's special dietary requirements. A bag of food for dogs with sensitive stomachs can cost as much as \$2.60/lb. **Total monthly cost: \$20-80**

Preventative health care and routine well visits

All dogs will need some medication to prevent common conditions, like heartworms, fleas and ticks. Most vets also recommend a wellness checkup at least once a year. The cost of this visit will vary by location and practitioner. **Total monthly cost: \$20-80**

Grooming and bathing

If you plan to bath your pup at home and trim its claws, you can save hundreds of dollars a year. If you'll be hiring someone else to do the washing and occasional grooming, these costs can add another \$100 to your monthly costs. **Total monthly cost: \$0-100**

Doggy daycare, boarding and walking

Doggy daycare averages \$40/day, while pet owners

("Dog Cost" continued on next page)

("Credit Score" continued from page 8)

Quick Tips for New Credit:

- **Open new credit accounts only as needed.** Every time you apply for a new credit card, this creates a hard inquiry on your credit, which will automatically lower your score. Having more credit than needed can also encourage unnecessary spending and lead to increased debt.
- **Understand how hard inquiries show up on your report for different types of loans.** While multiple inquiries over a short timeframe for credit cards may result in significant score damage, other types of inquiries - such as home or auto loans - are reported a little differently. Since lenders know people often shop around, these types of inquiries won't hit your report for 30 days, and when they do, they'll be counted as a singular inquiry.

If you implement these tips, you should start to see a gradual increase in your credit score. Remember: Your credit score is based on patterns over time, with an emphasis on more recent information. Improving credit won't happen overnight, but with persistence and consistency, you can improve your score over time!

Free Credit Report Review

Need some extra help navigating your credit report? GreenPath's NFCC-certified credit counselors can walk you through a free review of your credit report. They'll explain how to read the report and help you to make a plan for managing your credit score to support your goals.

Through our credit union's partnership with GreenPath, you have free access to confidential, one-on-one financial counseling, debt management services, and financial education tools designed to help you achieve your financial goals. To learn more or talk to a counselor for free, call 877-337-3399, or visit www.greenpath.com/belco.



who travel often can expect to add another \$100 for every overnight stay. Professional dog-walking services charge as much as \$30 for every half-hour walk. **Total monthly cost: \$0-600**

So, after initial costs, expect to pay anywhere from \$40-\$960 a month, depending on your choices and lifestyle.

That furry friend doesn't come cheap, but you can't put a price on the companionship and boundless love that a dog will bring you. Be sure to review the costs before bringing your pet home to make sure you can comfortably afford these new expenses. Enjoy your four-legged friend!



VACATION SAVINGS ACCOUNT

Set up a separate savings account at the credit union to use just for vacation savings.



UNSECURED LOAN

If you think you can't possibly save up enough money to fund your vacation in time, consider taking out an unsecured loan.



SKIP-A-PAYMENT

Ask your credit union about skipping a loan or credit card payment during this expensive time of year to help you find the funds to pay for your vacation.



OPEN A VACATION CLUB ACCOUNT

Each month, put away a little toward your getaway in your Vacation Club Account. This way, when summer rolls around, you will have all the money you need for your vacation.

.....

4 WAYS TO PAY FOR A

Vacation

.....

