

LOAN RATES

	Terms	A.P.R.*
New, Pre-Driven and Refinanced Vehicles	24 to 72 mos.	Call for Rates
<ul style="list-style-type: none"> Luxury vehicles over \$25,000 can be financed up to 84 months. Boats, Motor Homes, Campers and Trailers over \$25,000 can be financed up to 120 months. 		
Unsecured		
Line-of-Credit	Revolving	Call for Rates
Closed-End Signature	Fixed	Call for Rates
Home Loans		
First Mortgage	Fixed/Variable	Call for Rates
Home Equity Products		
Home Equity	Fixed/Variable	Call for Rates
Closed-End 2nd Mortgage	Fixed	Call for Rates
Open-End Equity Credit Line	Variable	Call for Rates
Fully Pledged		
Share Loans	Varies	Call for Rates

*APR - Annual Percentage Rate

SAVINGS RATES

	On Deposit	A.P.Y.*
Kasasa Cash [^]	\$0 - \$5,000	2.05%
	\$5,000 +	0.19% to 2.05%
Insured Money Market	\$25,000 or more	0.30%
	\$2,500 - \$24,999.99	0.20%
IRA Savings	\$50 or more	0.50%
Regular Savings	\$50 or more	0.20%
Christmas and Special	\$50 or more	0.20%
Certificates		
Regular and IRA (Traditional and Roth)		
60+ months	\$1,000 Minimum	1.10%
48 months	\$1,000 Minimum	1.05%
36 months	\$1,000 Minimum	0.75%
24 months	\$1,000 Minimum	0.50%
12 months	\$1,000 Minimum	0.40%
6 months	\$1,000 Minimum	0.20%

*APY - Annual Percentage Yield

- Dividends on Savings Accounts are paid on the average daily balance and compounded and credited quarterly.
- There is a penalty imposed if certificate funds other than dividends are withdrawn before maturity. APY is based on the assumption that dividends will remain on deposit until maturity.

[^] Refer to website for qualifications.

Rates effective as of 4/1/17 and can change without notice. Loan Rates could vary due to Risk Based Lending guidelines. Applications can be taken at any Allegius office, online at www.allegius.org and by calling 219-787-8049 or 800-537-8386 and pressing 3 for loan services.

Federally insured by NCUA



HOW MUCH WILL YOU SPEND WHEN YOU RETIRE?

Will you have enough money to make ends meet?

Provided by Brad Werner

You may have heard that people spend less once they are retired. Statistically, that is true. The question is whether a retiree has enough income to meet his or her expenses.

Ideally, retirees should be able to live comfortably on 70-85% of their end salaries and draw their retirement fund down no more than 4-5% per year during a 30-year retirement. Are these two objectives realistic for the average retiree household?^{1,2}

According to the most recently published Bureau of Labor Statistics data, a household maintained by someone 65 or older had a mean income of \$46,627 in 2015 and a disposable income of \$42,959 after taxes. That average retiree household spent an average of \$44,664 in 2015. So, on average, seniors spent more than they had on hand.^{2,3}

Basic math tells us that 46,627 is roughly 70% of 66,500 and roughly 85% of 55,000. So, a retirement income of \$46,627 would correspond to about 70-85% of a typical middle-class salary in 2015. In other words, it appears all too easy for the middle-class worker to transform into the financially challenged retiree.

Why is the average retiree household spending more than its net income? Three possible reasons come to mind. One, the cost of living may be rising faster for retirees than some assume. Social Security bases its cost-of-living adjustments to retiree benefits on changes in the CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers). Some economists think Social Security should use a different yardstick. Two, annual health care costs may suddenly jump for some seniors. Three, it is not unusual for new retirees to spend more than they anticipate as they travel and enjoy life.⁴

How do average retiree expenses break down? Housing costs accounted for \$15,529 of that aforementioned \$44,664 in 2015 household expenses. Transportation costs took another \$6,846. Health care costs made up \$5,756 of the total (\$3,900 of that went to health insurance, \$672 for medicines). Another \$1,298 went for mortgage costs.^{2,3}

When you spend more than you make in retirement, you dip into your savings. That fact takes us straight toward a larger problem.

Most baby boomers are approaching retirement with a savings shortfall. The 2016 Employee Financial Wellness Survey from



BRAD WERNER & COMPANY
Retirement and Wealth Planning
851 Indian Boundary Rd., Ste. A
Chesterton, IN 46304



PwC (PriceWaterhouseCoopers) found that 50% of baby boomers had less than \$100,000 in a workplace retirement plan. So, drawing down that amount by 4% a year would bring them less than \$4,000 in annual retirement income. Of course, some of these employees will be able to tap IRAs, brokerage accounts, or income streams from other sources – but when your workplace retirement plan savings are that scant after age 50, other sources must compensate mightily. For many retirees, Social Security will not take up the slack. The average projected monthly Social Security benefit for 2017 is just \$1,360.²

From the numbers in this article, you can glean that the average American retiree faces more than a little financial pressure. If you are a baby boomer who has saved and invested for decades and wants to work longer to give your invested assets a few more years of growth and compounding, you may have above-average prospects for a comfortable retirement.

Brad Werner may be reached at 219-929-1234 or brad@bradwerner.com. www.bradwerner.com

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Citations.

- cbsnews.com/news/how-much-retirement-income-do-you-really-need/ [3/3/16]
- fool.com/retirement/2016/12/18/how-much-money-does-the-average-baby-boomer-need.aspx [12/18/16]
- bls.gov/cex/2015/combined/sage.pdf [8/16]
- fool.com/retirement/2016/09/24/heres-why-your-social-security-check-is-hardly-goi.aspx [9/24/16]



ALLEGIUS
CREDIT UNION

INFORMATION FOR ALLEGIUS MEMBERS

APRIL - JUNE 2017 NEWS

Get paid to bank with us – just ask for free Kasasa® Checking

In February, we began offering Kasasa – free checking that pays you to bank with us. Since then, members have been earning cash rewards with these awesome new accounts that have no monthly service fee.

With Kasasa, we literally pay you to bank with us.

When you do simple activities you probably already do (like using your debit card), you save us money. We then pay those savings back to you as your monthly Kasasa cash rewards. That's the way we think it should be at Allegius Credit Union.

Simply choose the reward you want most.

With Kasasa, you've got choices – really high dividend earnings or cash back on your everyday debit card purchases.

Free Kasasa Cash® checking

2.05% APY* on balances up to \$5,000
0.01% APY* if qualifications are not met

Free Kasasa Cash Back® checking

4.00% cash back on debit card purchases, up to **\$8 back per month***

\$10

\$1

\$5

And no matter which reward you choose, you'll get refunds on ATM withdrawal fees, nationwide.* So every ATM is your ATM – whether you're nearby or elsewhere in the U.S.

And you don't have to jump through hoops to earn rewards.

Just simple activities that make banking easier. To earn your rewards, just do the following transactions and activities in your Kasasa Cash or Kasasa Cash Back account during each Monthly Qualification Cycle:

- Have at least 12 debit card purchases post and settle
- Be enrolled in and agree to receive e-statements
- Be enrolled in and log into online banking

And if you don't earn rewards, don't worry – there are no penalties.

Your Kasasa account is still free. And you can get right back to earning your rewards the very next cycle that you qualify.

Learn more about Kasasa at allegius.org – then open your account today!

*Limit of one Kasasa checking account per primary member, based on social security number. No minimum balance requirement for Cash or Cash Back account. ATM monthly cycle maximum refund is \$25. In Control Checking available to those who wish to receive paper statements. Current Allegius checking account holders who are in good standing may convert to Cash or Cash Back checking accounts. New checking account opening is based upon approval through Allegius guidelines based upon Chexsystems and credit report findings. Other conditions do apply.

Federally insured by NCUA.

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TEN VITAL TIPS FOR CAR BUYING

Thinking about buying a car soon? Make sure you set aside some time to plan for this major purchase. After a home, a car is typically the second most expensive purchase anyone makes – and settling on a new vehicle is not a decision to make merely over a weekend.

Follow these ten car-buying tips to make sure you get a car you can afford and will be happy driving for years to come.

1. Determine your budget

While you may have your heart set on a specific car, you won't be able to take it home unless you can afford it. A good rule of thumb is to spend no more than 25 percent of your monthly household income for *all* the cars in your household. And this figure should include not only monthly car loan payments but all other vehicle costs, including fuel and car insurance.

2. Decide: New, certified pre-owned or used?

Thanks to a large number of lease returns, a wide array of used cars that are about three years old are currently on the market, making buying a used or certified pre-owned (CPO) car more attractive than in recent years. In addition, there are more inexpensive new cars available than ever before, making your choices positively dizzying, regardless of your budget.

3. Narrow your choices to a few cars

Start by researching the cars that have caught your eye to see if they fit your budget. Visit automaker websites and independent automotive information sites to assess the features that are important to you, and note MSRPs (manufacturer's suggested retail prices) and invoice prices. Check local inventory listings to see what is available in your area.

4. Assess your ownership costs

Using your short list of cars, determine if each would fit into your budget by estimating ownership costs. An auto research website such as Edmunds.com or Kelley Blue Book's kbb.com would provide a general overview of ownership costs for your area, but these numbers will vary depending on your personal situation. Also obtain an auto insurance quote on the cars you are considering that would apply to the drivers in your household.

5. Secure financing – before you visit the dealer

Dealers don't just want to sell you a car, but they want to coordinate the car loan, too. That's because they typically receive a flat fee or a commission on the auto loans they facilitate, regardless of whether the loan is from the manufacturer or a local lender. So, secure financing from Allegius with a pre-approval in advance and compare it with what the dealer offers.

6. Don't assume financing at the dealership is the best deal

While you may be drawn to a certain car or brand because you saw an ad for a low interest rate, it's of no use unless you qualify. Only about 10 percent of car buyers qualify for the zero percent or low-interest-rate deals automakers offer. Even if you do qualify, you may be better off taking an automaker's cash rebate and obtaining financing on your own at Allegius.

7. Learn the invoice price

The research you did on independent automotive information websites should have included the invoice price (for new cars) or wholesale price (for used cars), as well as the manufacturer's suggested retail price (for new cars) or the dealer's asking price (for used). While invoice pricing on third-party information sites isn't 100 percent accurate, it is a good indicator of what the dealer paid for the car, and it's the best place to start your negotiation. Aim to reach an agreement on the sale price that is close to that number *before* any discounts are applied, and keep in mind that the dealer needs to make at least a few hundred dollars' profit to cover the operating costs of running the dealership.

8. Research all possible discounts in advance

You've probably seen the ads promoting cash-back deals, and these incentives should be deducted after you negotiate the price. In addition, many automakers offer discounts to students and military members. These discounts can be stacked and can be combined with the cash-back rebates on the model. Check automaker websites for these incentives in their "Current Offers" sections.

9. Take your time with the test drive

When you've completed all your research, call the dealerships you want to visit and make appointments for test drives with the internet or fleet manager. You can find the name of the right person at the dealership website. By reaching out, you're establishing a relationship with someone who might be less likely to try to strong-arm you into a deal if you decide you are ready to buy after the test drive. Since most car shoppers these days keep their cars for five years or more, take your time with the test drive to make sure you really love the car.

10. Use smart negotiating strategies

When you are ready to make a purchase and start discussing a price, keep in mind all the discounts you've researched, and – for the moment – forget about trading in your car as part of the deal. You'll do better if you negotiate the sale price of your new car and the trade-in value of your old car separately. Make sure you have already researched your current car's value online so you'll know whether you are being offered a fair price when a trade-in is discussed.

Once you've reached an agreement to buy, be prepared to say "no" to all the extras you may be offered. Instead, say "no" and do the research at home for whatever add-ons interest you, and contact the dealership at a later date to negotiate fair prices for those items. When you are presented with a sales contract, go over all of the details carefully, making sure that you aren't paying any unnecessary dealer fees and that everything you negotiated verbally is spelled out in writing.

If you need help at any time during this process, contact an Allegius loan specialist at **219-787-8049**. They will be happy to guide you through any insecurities you may have BEFORE you make the vehicle decision.

ONLINE BANKING INCREASED SECURITY

As part of Allegius' ongoing commitment to strong security for online banking, Allegius will be making changes to the encryption used to protect member access and sessions once in online banking on April 11, 2017.

On April 11th we will be disabling weaker forms of SSL encryption. This will prevent member web browsers from using these weaker forms of encryption when connecting to online banking, thereby ensuring that only very strong encryption can be used.



Allegius has tested these configurations and monitored current usage and we do not believe this change will prevent any member from accessing online banking. **However, if you do encounter issues accessing online banking after this update, you should update your browsers to the latest available version and apply any outstanding vendor operating system patches.**

Security is improved because only very strong forms of encryption will be allowed. While connections to It'sMe247 online banking have always used encryption, times change and encryption that was considered strong only a few years ago may now be more vulnerable to attack.

You do not need to do anything to get this update as it will automatically occur the next time you connect to online banking.

ANNUAL MEETING NOTICE

The Annual Meeting will be held Monday, May 15, 2017 at 5:00 p.m. at the Burns Harbor office located at 244 Allegius Drive (off of Route 12). In accordance with our bylaws there will be no nominations from the floor.

BLUEPRINT FOR REWARDS CHANGES

Allegius, for many years now, has been offering an exciting blueprint to reward members for their loyalty to the credit union and the trust they put into us to handle their financial services. This blueprint designed to reward members based upon the products and services used or held with four levels: Platinum, Gold, Silver and Bronze.

Once again with the member relationship in mind, along with member activities, many of the perks for each tier will be changing as of May 1, 2017. Please refer to the enclosed insert or www.allegius.org for the updates. As always Allegius is very appreciative of your membership and wishes to thank you all for entrusting us as your financial services provider.



PRIME TIMES TRAVELERS CLUB

Prime Times Travelers Club is specifically designed for active lifestyles of the soon to be or current retired members. Come join us! **Family and friends over the age of 21 are invited!**

2017 EVENTS

WEDNESDAY, MAY 31 EXPERIENCE NORTHWEST INDIANA

- The Shrine of Christ's Passion
- Lunch at Tiebel's Restaurant
- Shopping at Whole Foods
- Tour of Albanese Candy Factory

**Per person: \$60 (Paid by March 29th)
\$65 (Paid by April 26th)**

SATURDAY, JULY 8 CORNWELL'S TURKEYVILLE IN MARSHALL, MI

- Craft Show
- "Life Could be a Dream" Musical
- Great Turkey Dinner with all the fixin's

Per person: \$85.00 (Payment due by June 9th)

WEDNESDAY, AUGUST 16 THE TEMPEL LIPIZZANS

- Old Mill Creek, IL
- Synchronized Movements between Horse & Rider
- Dinner at the storied Manny's Deli & Cafeteria

Per person: \$125.00 (Payment due by July 16th)

SEPTEMBER 5 TO 10 TASTE OF VERMONT

- 5 nights lodging including five breakfasts and three dinners
- Ben and Jerry's Ice Cream Factory Tour
- Maple tasting at Morse Sugar Farm
- Cheese tasting at Cabot Creamery
- Middlebury Village visit

Final payment due by July 17th
Per person: \$739 (double) / \$938 (single)

OCTOBER 25 & 26 MEIJER GARDENS & SCULPTURE PARK

- Guided tour plus 45 minute tram ride
- Broadway Musical "Wicked" - Main floor seating
- Wine tasting at Applehaus Winery (keep the glass)

Per person: \$299 (Final payment due by Sept. 20)

For more event information contact committee members John & Linda Starr at (219) 778-2736. All trips include transportation, tax & gratuities. All trips require a \$25 deposit and payments can be arranged.

WWW.ALLEGIUS.ORG | P3

LOCATIONS

BURNS HARBOR OFFICE

244 Allegius Drive
Burns Harbor, Indiana 46304
Monday - Friday: 7:00 a.m. - 4:00 p.m.
FAX: (219) 787- 9580
ATM: Before ArcelorMittal's Main Gate Entrance
North Wall of BHAA Building

HOBART BRANCH

2027 East 37th Avenue
Hobart, Indiana 46342
> Drive up ATM

MICHIGAN CITY BRANCH

1015 E. US Hwy. 20
Michigan City, Indiana 46360
> Drive up ATM

VALPARAISO BRANCH

175 W. Lincolnway, Suite E (Napoleon Center)
Valparaiso, Indiana 46383
> Drive up ATM

BRANCH HOURS

HOBART, MICHIGAN CITY, AND VALPARAISO

LOBBY:

Monday - Thursday: 9:00 a.m. - 5:00 p.m.
Friday: 9:00 a.m. - 6:00 p.m.
Saturday: 9:00 a.m. - 12:00 p.m.

DRIVE-UP:

Monday - Thursday: 8:30 a.m. - 5:00 p.m.
Friday: 8:30 a.m. - 6:00 p.m.
Saturday: 8:30 a.m. - 12:00 p.m.

MEMBER SUPPORT INFORMATION

Contact Allegius with questions, to get information, and for loan applications.
Call: (219) 787-8049
(800) 537-8386

Email: info@allegius.org
Website: www.allegius.org
Visit us on Facebook

HOLIDAY CLOSURES

Good Friday..... Friday, April 14
Memorial Day Monday, May 29
Independence Day Tuesday, July 4
Labor Day..... Monday, September 4

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