

# THE DIGEST

WINTER ISSUE 2011

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## Picatinny Relationship Rewards



### Rewarding Members For A Full Relationship

It's here! Introducing *Picatinny Relationship Rewards*. Let's start your New Year off on the right foot with free services, discounts on loans and bonus rates on your savings. There is no better way to kick-start your 2011 financial plan.

At Picatinny, we appreciate and value all of our members. So we designed a program that had something for everyone. We built this program with four relationship levels: **Valued, Preferred, Premier and Platinum**. Based on your combined savings, checking and loan balances, you will be automatically enrolled into a rewards tier and start earning free benefits. It's as easy as that. No forms to fill out or annual fees.

We strive to provide you with exceptional service, great rates and affordable loans. Now we're making it even easier for you to experience greater savings and benefits with Relationship Rewards. Looking to climb up the ladder of rewards? Just sign up for direct deposit, activate your debit card or transfer your loans and deposits from other financial institutions to Picatinny.

Watch your mail for more information and a Relationship Rewards Brochure that will provide all the details of the program.

In addition, please feel free to stop by one of our branch offices and speak to a Member Services Representative about your free services and benefits. Or visit us at [www.picacreditunion.com](http://www.picacreditunion.com).

picatinny



\*federal credit union

## Buy A Car Without Getting Taken For A Ride

Purchasing a car does not have to be difficult or stressful. Picatinny Federal Credit Union can help you save time, money and effort with **Motor Vehicle Certification Program (MVCP)**, our **FREE** car-buying service for members. MVCP can supply you with all the information you need prior to visiting the dealership. You will receive a pre-negotiated price, the price the dealer paid for the car and all rebates and incentives available. The MVCP team of advisors will answer your questions and walk you through the entire buying process.

If you're in the market for a new or used car, call MVCP at (800) 345-0990 to get the process started.

## The 0% Financing Craze. Is It A Good Deal?

### At Picatinny, You Can Do Better!

When purchasing a new vehicle you face many choices. The most difficult is often financing. However, you have options!

It has been commonplace in the automotive industry to offer special rebates. We are bombarded with television commercials from auto dealers offering us 0% auto loan rates. Sounds good, right? The answer is a definite maybe. In many cases, the average auto buyer won't be offered those special rates. And even if you can qualify, you can often do better by taking the cash rebate and financing at Picatinny Federal Credit Union. If we can't beat it, we'll tell you.

### Who Gets The Special Rates?

According to a Consumer Task Force for Automotive Issues survey, less than 10 people out of 100 who financed at the dealership got zero percent rates. Such rates are used to entice you to go to the dealership, but few consumers actually get them.

Why didn't they get it? Since the dealerships make no money on this rate, they generally do their best to switch people to higher rates. How do they do that? "Oh, you don't qualify for that rate. Uh, and that rate doesn't cover that specific vehicle." Who determines who qualifies? The dealerships. Who determines if the vehicle actually qualifies for the rate? The dealerships.

If you look at the fine print on recent 0% offers, you'll see such language as this...

- For qualified buyers
- For well-qualified buyers
- Residency and other restrictions may apply
- Most buyers will not receive this special rate
- Not available in all areas
- Not available on these models
- See dealer for details

These disclaimers give dealers a way to steer you away from the special offer into something more lucrative for them.

## Can You Do Better Than Zero Percent?

If a rebate is offered as an alternative to 0%, the answer is often yes! To do so, you'll need to apply the rebate as a down payment on the vehicle. Look at the two examples below with a \$3,000 rebate. Based on PFCU'S current auto rate, you can do better. See for yourself...

### Example: Loan Term: 36 months

Sales Price	\$15,000		\$20,000	
Interest Rates	0%	3.25 APR% *	0%	3.25 APR% *
Manufacturers rebate	\$0	\$3,000	\$0	\$3,000
Amount to finance	\$15,000	\$12,000	\$20,000	\$17,000
3-Year total Interest Paid		\$610.42		\$864.73
Total Payments of	\$15,000	\$12,610.42	\$20,000	\$17,864.73
<b>PFCU financing with a dealer rebate saves...</b>		<b>\$2,389.58</b>		<b>\$2,135.27</b>

## What Saves You The Most Money?

In most cases, take the rebate and finance your auto loan with Picatinny's low rates. As you can tell from the example, we're able to save members money over dealer financing - often even when zero percent financing is offered.

To make sure you're choosing the best financing option call our Loan Department at **(877) 742-6849** and ask about being pre-approved.

\* APR = Annual Percentage Rate. PFCU new auto loan rates are based on your personal credit history and are subject to change.

## Paring Back So You Can Retire Comfortably



Planning on putting off retirement? You're not alone. About 70% of current workers plan to work for pay in retirement, up from a recent low of 63% in 2008. (Employee Benefit Research Institute's 2010 annual retirement confidence survey)

Although some retirees simply like staying active, most haven't yet managed to recoup the savings they lost during the most recent stock market crash. But that doesn't mean putting off retirement or getting a job.

With a few budgetary cutbacks and some decisive money moves, you can improve your future retirement outlook. What's more, doing so can also help you gauge how realistic your assumptions are. Nothing would be worse than taking the leap before realizing you can't live on less.

Here are some ways to trim your expenses so you can boost your nest egg.

### Trim Housing Costs

Consider trading down to a smaller home. Doing so can not only allow you to stash your gains into a retirement savings account, it can also help shrink your taxes, utility bills and home maintenance costs.

### Eliminate Pricey Debts

Although some debt such as a mortgage and student loans can offer valuable tax deductions, other debts are just plain worthless. Before you can even begin to save, you have to eliminate high priced debts such as credit cards or payday loans.

### Drain Your Savings Account

Having cash set aside in a liquid, easily accessible account is ideal as emergencies do happen. However, many advisors were recommending clients keep two years worth of income on hand. Even though the job market is still uncertain, having just 6 to 12 months' worth of savings should suffice. If you do have a stockpile of money in a savings account, you might want to get greater returns in longer-term accounts.

### Keep Your Priorities Straight

Many parents want to help their kids financially so they can avoid huge debt. However these days, cutting back on that kind of generosity may be necessary. Many advisors suggest that saving for your retirement should be your number one priority and number two is saving for college. ([www.smartmoney.com/personal-finance](http://www.smartmoney.com/personal-finance), Nov 2010)



## 2010 Giving Thanks Collection

### Picatinny Federal Credit Union Is Proud To Support Our Local Community

Cynthia Lounsberry, PFCU Administrative Assistant (left) and Kathy Coppinger, Branch Sales Manager (right) standing in the lobby of the Rockaway office, gathering food for area food banks. The 2010 Giving Thanks Program collected donations for Mt. Olive, Rockaway Township and Rockaway Borough Community Food Banks. The 2010 food drive provided food for the holidays and helped restock the Food Closet's pantry for future needs. The food drive was supported by credit union members and employees.

*Thank you for your support and generosity!*

# Open Your IRA Today

- *The Deadline For Making 2010 Contributions Is April 15, 2011*
- *Retirement Share Accounts Are Insured Up To \$250,000 By The National Credit Union Administration*

Call For The Most Current  
IRA Certificate Rates!  
(973) 361-5225



## Find A Surcharge-Free ATM Near You

Picatinny Federal Credit Union and Allpoint have partnered together to give you 24/7 surcharge-free access to your money!

To find an Allpoint ATM near you, visit [www.picacreditunion.com](http://www.picacreditunion.com) and type your zip code in the ATM search box.

Some ATMs may display a surcharge screen during your transaction. Simply enter "yes" to accept the surcharge and proceed with your withdrawal. You will not be charged a fee.

## Attention Members!

We have VISA® Gift Cards...the perfect gift for birthdays, weddings or any other special occasion! Visit any branch to purchase your Gift Card today. They're available in any amount – from \$10 to \$1,000.



### Branch Office – Holiday Closings

Martin Luther King Jr.'s Birthday Monday, January 17, 2011	Presidents' Day Monday, February 21, 2011
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#### Comments? Please write to:

The Supervisory Committee  
of Picatinny Federal Credit Union  
P.O. Box 414, Wharton, New Jersey 07885

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Committee Member	Gordon Winch

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Bill Darling

### Locations & Hours

#### Rockaway Branch

100 Mineral Springs Drive  
Dover, New Jersey 07801

**Phone:** (973) 361-5225

**Mon. and Thurs.:** 8:00 a.m. - 6:00 p.m.

**Tues., Wed., Fri.:** 8:00 a.m. - 3:30 p.m.

**Sat.:** 9:00 a.m. - Noon

ATM

#### Arsenal Branch (restricted access)

ARDEC Building 30 South  
Picatinny Arsenal, New Jersey 07806

**Phone:** (973) 989-2612

**Mon. - Wed., Fri.:** 8:00 a.m. - 3:30 p.m.

**Thurs.:** 8:00 a.m. - 6:00 p.m.

ATM

#### Mt. Olive Branch

10 International Drive South  
Flanders, New Jersey 07836

**Phone:** (973) 691-6400

**Mon. - Wed., Fri.:** 8:00 a.m. - 3:30 p.m.

**Thurs.:** 8:00 a.m. - 6:00 p.m.

**Sat.:** 9:00 a.m. - Noon

ATM

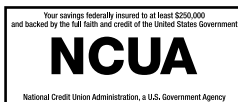
#### Drive-Up:

**Mon. - Fri.:** 8:00 a.m. - 5:00 p.m.

**Thurs.:** 8:00 a.m. - 6:00 p.m.

**Sat.:** 9:00 a.m. - Noon

**Website:** [www.picacreditunion.com](http://www.picacreditunion.com)



Your shares are federally insured to at least \$250,000 by the NCUA National Credit Union Administration – a U.S. Government Agency

Your retirement share accounts are insured up to \$250,000 (aggregate) by the NCUA.