

insight

NEWSLETTER SPRING 2021



A Message from the President

The snow is finally melting, and the weather is showing signs of spring. Like our gardens, our hope in departing the winter and the pandemic is starting to grow.

We are very excited to see everyone back in the branches, and we will continue to exercise caution and adhere to necessary safety precautions. We are dedicated to our member and staff safety, and we are optimistic that we will be able to open our facilities to more members soon. While the pandemic has been tough on much of the community, we have been able to optimize many of our digital services, including remote deposit capture, digital wallet, and online banking, and we will continue these benefits moving forward. It has been great to see how many members have adapted to the changing circumstances and have signed up for our digital resources.

As we understand our new normal, we believe we are well positioned to support our members. I know many people have been cooped up in their homes during the winter and are excited to get outside. The improving weather and increased vaccine rollout has increased optimism throughout the credit union. Many of the home and garden projects we have been dreaming of are being pushed to the forefront. I know I am personally excited to spend more time outside in my garden with my grandkids. As you embark on these home projects, you can explore our revitalized low-rate loan offerings to help kick-start your next endeavor.

While some look to embark on new projects and invest in their homes, others have been hit particularly hard by this pandemic. Century Federal has worked tirelessly to support local charities and help those who are in need, especially in our recent initiative with the Greater Cleveland Food Bank. We appreciate your support with these campaigns, and our members have done an incredible job helping us achieve our donation goals. Now with a third round of stimulus checks, we are seeing an even greater outpouring of support and donations. Thank you - we could not be prouder of our members.

As we progress out of winter, we need to remember to stay safe. We are excited to welcome you back into the branches and return to a sense of normalcy. Thank you so much for your patience throughout this pandemic and for helping us to keep our staff and other members safe. Please never hesitate to reach out if there is anything that we can do to help.

Thank you,

Sharon Churchill
President & CEO



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FEATURED RATE

Home Equity Line of Credit (HELOC)
as low as

2.75% APR*

*APR= Annual Percentage Rate. Credit limits and rates are subject to creditworthiness and can change anytime without notice.

www.cenfedcu.org/mortgage-rates

BRANCH CLOSURES

- Memorial Day
MONDAY, MAY 31

**Graduation will be here
before you know it!**

**Visit cenfedcu.org/scholarship
to apply today!**

Now Accepting Applications for the Guy Thorpe Scholarship!

Century Federal Credit Union is now accepting applications for the 2021 Guy H. Thorpe Memorial Scholarship. This scholarship honors the legacy of Guy H. Thorpe, who served as a dedicated volunteer on the Century Federal Board of Directors for 30 years.

We are committed to assisting our youth account members who choose to further their education through post-secondary studies. Scholarships will be awarded to four Century Federal Credit Union youth account members in the amount of \$1,500 to qualifying high school seniors, per the requirements noted on our website.

**Visit
cenfedcu.org/scholarship
to learn more.**

Together We're Better!



This credit union is federally insured by
the National Credit Union Administration.



Should You Cash In on Your Home's Equity?

Refinancing your existing mortgage is an excellent way to reduce monthly payments, lower your interest rate or take cash out of your home's equity for large purchases. Most people choose to refinance when they have equity in their home to secure a lower interest rate and lower their payment, but refinancing can also help you build equity more quickly and pay off your mortgage sooner. When considering refinancing, here are a few main points to research:



- *Have I found the lowest rate available?*
- *Will you incur any pre-payment penalties?*
- *What is the new interest rate -vs- your current interest rate?*
- *What are the closing costs for refinancing and can they be rolled into the loan?*

What is Home Equity?

In practical terms, home equity is the appraised value of your home minus any outstanding mortgage and loan balances. In most cases, home equity builds over time as you pay down mortgage balances or add value to your home. Home equity is an important asset for homeowners, since it can be used to borrow home equity loans or a home equity line of credit (HELOC). And, with a Century Federal HELOC, you can lock in a great low fixed rate when you draw on your line for up to 10 years!*

How Does Home Equity Work?

Whether you're looking to free up cash for a home renovation or find ways to consolidate debt, borrowing against the value of your home could be a good option. While you pay off your home, you build equity that you can later use for home equity loans or home equity lines of credit (HELOCs).

Because you can use equity for loans or tap into it when selling your home, it's a great financial tool. And the bigger your down payment and the more you pay toward your mortgage, the greater chance you have at increasing your total equity.

If you're considering using your home equity, keep the following in mind:

- Calculate your equity. Subtract your mortgage balance from your home's current market value. To get an estimate of your home's current value, use the Mortgage Equity Calculator tool found on our website at www.cenfedcu.org/calculators.
- Consider the benefits and drawbacks of a home equity loan. Using home equity to fund emergency expenses or consolidate debt isn't the right choice for everyone. Before applying for a home equity loan, consider the risks of using your home as collateral and look into personal loan options or other debt consolidation loan alternatives.

How can Century Federal help?

Century Federal offers the personalized financing experience that you have come to expect from us. One of our mortgage loan consultants will work closely with you to coordinate your mortgage loan process from start to finish, and make your borrowing experience as quick and efficient as possible. Learn more at www.cenfedcu.org/mortgage-rates.

*For all rates and information, visit our website at: www.cenfedcu.org/rates.

Touch. Tap. Pay. Digital Wallet

Add your Century Federal debit and credit cards to your digital wallet! It makes purchases easy, convenient and secure.



Visit www.cenfedcu.org/digital-wallet to learn more.





A WORD FROM SKYLIGHT....

Make Your Money Work for You: Turning Retirement Savings into Retirement Income

A comfortable retirement means different things to different people, but one universal definition could be the ability to maintain your lifestyle when you're no longer drawing a salary. This doesn't consider the many other things that might define your retirement (things like owning a business or pursuing different types of work). Still, one of the big needles to thread when considering your retirement is: What will be the source of your money?

Devising Your Retirement Distribution Strategy

The money put aside for your golden years may have two jobs: sustaining you for the rest of your life, and leaving a legacy for your loved ones. According to the Employee Benefit Research Institute's 2020 Retirement Confidence Survey, 69% of American workers have confidence in their ability to see steady income throughout their retirement. However, that number sinks to 27% when asked if they are "very confident." The good news is that, with the right information, you may be able to make informed decisions about how long your money needs to last.¹ One of the reasons financial professionals get to know their clients so closely is that we need a clear sense of who you are to help form wise strategies. Among those key data points is your life expectancy. With that timespan in mind, the next step is examining where you're at with your money. Your retirement plans play a role. Other critical factors are Social Security and how much income you expect to receive from month to month.²

Turning Savings into Income

Turning a growth plan into a retirement income plan can be built using certain assumptions. In this example, a hypothetical investor (let's call her Veronica) has accumulated \$500,000 by age 52. Veronica wants to see how that could help generate a portion of her retirement income. Applying a hypothetical 6% annual return, Veronica's \$500,000 portfolio would increase to \$1.2 million by age 67. Veronica's portfolio is structured to earn a hypothetical 4% annual return starting at age 68. She could take a \$50,000 annual distribution, increasing that distribution by 3% each year until age 90. After her 90th birthday, Veronica's portfolio will have generated \$1.7 million in total income, and she will still have \$400,000 to distribute to beneficiaries.

Turning a Growth Plan into an Income Plan

There's no shortage of things to consider when shifting from a saving-focused strategy toward an income strategy. It's important to remember that once you reach age 72, Required Minimum Distributions (RMDs) begin to apply to IRAs and other retirement products. Failure to take the RMD by the end of the year may result in an "excess accumulation" penalty. RMDs at 72 also apply to your workplace retirement account, but you also need to wait until you reach 59½ before taking any withdrawals or face a 10% tax penalty. As part of the SECURE Act, workers over 72 can still contribute to an IRA or other retirement account, depending on specific circumstances.

Remember, you're not alone. We're here to help you turn your collection of financial resources into a comfortable retirement, to offer guidance and suggestions on how to stretch your money across your golden years, and even to help you build something for your loved ones. It's a privilege we don't take for granted.

Contact Skylight today by calling 216.592.7315, emailing CFCUteam@skylightfg.com, or visiting www.skylightfinancialgroup.com.

Adapted from Platinum Advisor Strategies

Investment Products and Services offered are: Not a bank or credit union deposit or obligation; Not FDIC or NCUA insured; Not insured by and federal government agency; Not guaranteed by any bank or credit union; and may go down in value.

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Century Federal Credit Union is not a subsidiary or affiliate of MML Investors Services, or its affiliated companies.

1. EBRI.org, November 11, 2020

2. SSA.gov, November 11, 2020

Make Yourself at Home with a Century Federal Mortgage

- Low closing costs
- No application fees
- Quick approval process
- Terms from 10–30 years

Visit cenfedcu.org/mortgage-rates to learn more!



Consolidate your high-interest debt with a low-rate *Signature Loan*



Rates as low as 5.75%* APR!

*Visit www.cenfedcu.org/signatureloan to learn more!



ANNUAL REPORT

The 2020 Annual Report is available for pickup in the branches or to view on our website at:

www.cenfedcu.org/aboutus

FOOD DRIVE

MARCH 10 - APRIL 30



Greater Cleveland Food Bank

TOP 10 MOST NEEDED DONATIONS



BEANS
(Canned or Dried)

PEANUT BUTTER
CANNED OR BOXED
ENTREES

PASTA SAUCE
(Low Sodium)

100% JUICE

CEREAL
(Hot or Cold)

CANNED PROTEIN
(Like Tuna or Chicken)

WHOLE GRAIN RICE & PASTA

CANNED FRUITS & VEGGIES

MONEY

Monetary donations go the farthest because just \$1 can help provide 4 meals!

WWW.CENFEDCU.ORG/FOODDRIVE



MEMBERS SAVE UP TO \$15

Visit www.cenfedcu.org/discounts to Save Today!

Deadline extended to May 17





MEMBER SERVICE CENTER
216-535-3200

DOWNTOWN

AJC Federal Building
1240 E. 9th Street, #719
Cleveland, OH 44119
M-F: 8:00 AM - 3:30 PM
216-535-3290
ATM

INDEPENDENCE

4600 Rockside Road
Independence, OH 44131
M-TH: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
SAT: 8:30 AM - 2:00 PM
216-535-3410
Drive-up ATM

RICHMOND HEIGHTS

754 Richmond Road
Richmond Hts, OH 44143
M-TH: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
SAT: 8:30 AM - 2:00 PM
216-535-3800
Drive-Thru, ATM, Night Drop, Coin Machine

MORTGAGE LOAN CENTER
216-535-3210

NASA Employees Only

21000 Brookpark Road
Building 15
Cleveland, OH 44135
M-F: 8:00 AM - 3:30 PM
216-535-3400
ATM, Coin Machine

NORTH OLMSTED

28251 Lorain Road
North Olmsted, OH 44070
M-TH: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
SAT: 8:30 AM - 2:00 PM
216-535-3100
Drive-up ATM, Coin Machine

RTA HAYDEN Employees Only

1661 Hayden Avenue
East Cleveland, OH 44112
M, W, F: 9:30 AM - 4:00 PM
216-535-3280
ATM

SHERWIN-WILLIAMS

101 Prospect Avenue, Lobby
Cleveland, OH 44115
M-F: 8:30 AM - 4:00 PM
216-535-3700
ATM

STRONGSVILLE

14244 Pearl Road
Strongsville, OH 44136
M-TH: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
SAT: 8:30 AM - 2:00 PM
216-535-3260
Drive-up ATM, Night Drop, Safe Deposit Boxes, Coin Machine

WADE PARK VAMC

10701 East Blvd., 1-E210
Cleveland, OH 44106
M-F: 8:00 AM - 3:30 PM
216-535-3600
ATM

Together We're Better!