

## Chip Cards Are Coming

That means more protection for you.



The embedded computer chip makes your card more secure.

MCS Bank will begin issuing the new chip embedded debit cards beginning this summer. There is no need to request your new card. Once we begin issuing the new chip cards, you will automatically receive the new card before your existing card expires. We expect this process to take about one year. For more information on the new card, go to [www.mcs-bank.com](http://www.mcs-bank.com) and click on the Chip Card Banner.

## Why should you be using eStatements?

### Faster Delivery. More Security.

**Faster Delivery** - You can normally access your e-Statement within two (2) business days, whereas statements delivered via the USPS can take anywhere from 7 – 10 business days or more.

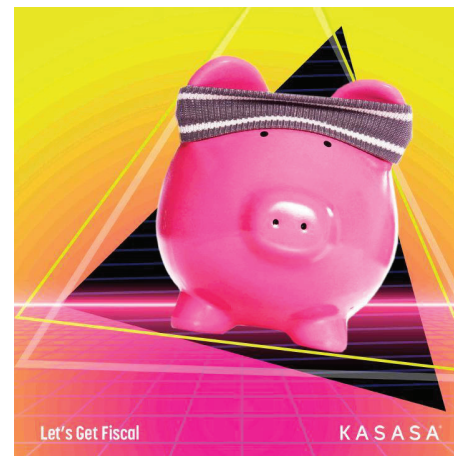
**Security** – You don't need to worry about a thief stealing your statement from your mailbox. You access your e-statement by logging into your secure online banking account. PLUS you have access to 18 months of statements saving research time.

Contact your community office with any questions or for assistance.

## PUMP UP

### Kids Financial Knowledge

*In recognition of April as being National Financial Literacy Month, MCS Bank encourages parents with young children and early teens to help their kids to learn sound financial practices early.*



Research shows that the majority of children determine their attitudes about money by the time they finish the fifth grade; therefore, it is critical for parents not to delay and introduce and reinforce good habits early and often.

MCS Bank offers the following basic tips:

### The Jar System

Especially for younger children who don't yet have a savings account at their local bank, the jar system can be helpful. Young children are encouraged to set aside their money in three jars—one for short-term spending, one for savings and one for charitable donations. Having clear jars is a good visual for kids to understand how money grows with time. With your child, you can determine what goes in each jar. For example, allowance money can go in short-term spending, birthday money can go in savings and money earned through chores can be split between the three jars. Pick a charity your child is interested in—perhaps the local humane society if your child is an animal lover—and go there together every few months to donate the money. This will help emphasize the importance of giving back by letting them see the impact firsthand. For the savings jar, set a

goal for something your child is building toward so it's a tangible goal.

### Open a Savings Account

Once your child is a little older, it's time for a savings account. If he or she has shown the ability to manage the three jars, especially the savings one, an elementary-age child can open a special kid's savings account that most community banks offer. They will feel special going to the bank with mom or dad to open the account and then again every few months to deposit their saved money.

### Help Teens Establish a Credit History

If you have a responsible teenager, a credit card is one of the best ways to help establish a credit history. The length of one's credit history is factored into the credit score. If the child is under 18, an adult will need to be a co-signer on the credit card, since minors do not have the legal capacity to contract. Perhaps your teenage child only uses the credit card for gas, then pays it in full every month. That is a good way to teach your child about interest, late fees and other pitfalls that come with a credit card.

### Teach by Example

Have your child sit with you at the beginning of every month when you create your budget and again at the end of the month when you're paying bills. Look at how much was actually spent in certain categories versus what was planned. Discuss how to improve the next month. This is also an opportunity to teach them about online banking, as most consumers pay at least a portion of their bills online. Parents can also do small things like clip coupons before they go to the store or wait until something is on sale to buy it. This will instill in children the importance of looking for a good deal. Small things like this can shape how children view money, and more importantly, how it is spent.

The good news is that it's not difficult to start teaching your child about finances—it merely takes effort. Encourage them to ask questions along the way and make suggestions if they have them. This will be a good exercise for both parents and children, and it will help ensure everyone in the house has a good financial understanding.

## Social Security: Getting the Most Out of Your Benefits

### First you need to understand the value:

Social Security provides value you can't outlive, provides inflation adjusted income, provides survivor benefits and provides more income than most people may think. The estimated maximum benefit in 2016 is \$2,639 per month at full retirement age (FRA) with the average benefit paying over \$1,300 per month. Social Security also provides spousal benefits that may equal as much as 50% of the primary worker monthly benefit. If the primary worker passes away, the surviving spouse will receive the greater of their own benefit or the spousal benefit. They must have been married for at least 9 months and be at least 60 years old or 50 years old if disabled. If married for 10 years or more, former spouses are also eligible for spousal or survivor benefits. The Social Security Administration (SSA) uses a formula based on the highest 35 years of earnings indexed to inflation to come up with the monthly benefit known as the Primary Insurance Amount (PIA).

To get an estimated benefit amount go to the website [www.ssa.gov](http://www.ssa.gov) and click on the calculation tab and then go to Retirement Estimate.

### Social Security Solvency:

In 2011, the SSA paid out more than it collected from existing workers. We now have more workers employed than in 2011, but we have a vast number of baby boomers signing up daily. It is estimated that by 2020 the SSA will be paying benefits



from principle within the program. With payroll collections continuing at the current rates, by 2033, the Trust Fund may be exhausted. A 25% reduction in monthly benefits has been predicted if we maintain the current system without making any changes. Most proposed changes are not popular but neither is receiving a lower benefit. Some possible ways to fix social security for future beneficiaries is to raise the ages to start receiving benefits, increase the earnings cap which is currently at \$118,500 for 2016, lower future benefits for future recipients or eliminate the cost of living adjustments (COLA).

### When should I start:

Starting benefits at age 62 provides a permanent reduction of nearly 25%. People are living longer and normal retirement age would provide a 100% benefit. If waiting until after FRA, the benefit would increase at a rate of 8% for every year until age 70, providing at least a 30% increase in monthly payment. Before you begin taking your benefit determine your "break even" age if you wait until a later date.

### Working While Receiving Benefits:

If you begin receiving your social security before your FRA and choose to work, your maximum earned income for 2016, before you have to start to pay back your social security, is \$15,720. For every \$2 you earn over the limit, it will result in a loss of \$1 in benefits. This is triggered by only earned

income. The good news is that the reduction may not be lost forever. At normal retirement age, the monthly benefit is recalculated and the money returned is added to that calculation so you may recoup the lost benefits in an increased monthly payment.

### Maximizing Benefits:

According to the US Census Bureau, the challenge is that people are living longer. Women tend to live 5 or 6 years longer than men. The majority of men receiving benefits are 2 to 3 years older than their spouses. Women age 65 and over are three times more likely as men of the same age to be widowed.

You shouldn't look at social security in a vacuum. You should look into developing a comprehensive retirement plan integrating social security with pensions, personal savings and investments as well as understanding any tax liability involved with receiving your benefits. That way you can assure yourself that you have utilized your resources to enjoy a comfortable retirement.



**MP** MALCOLM PARKS  
FINANCIAL SERVICES, LLC.

Investment and insurance products and services are offered through INFINEX INVESTMENT, INC., Member FINRA/SIPC. Malcolm Parks Financial Services, LLC is under separate ownership than any other named entity. Infinex and the Bank are not affiliated. Products and services made available through Infinex are not insured by the FDIC or any other agency of the United States and are not deposits or obligations of nor guaranteed or insured by any bank affiliate. These products are subject to investment risk, including the loss of value.

19 North Brown Street  
Lewistown PA 17044

Community Offices:

**Loan Center**  
101 East Market Street  
Lewistown PA 17044

**Allensville**  
108 East Main Street  
Allensville PA 17002

**Belleville**  
4009 East Main Street  
Belleville PA 17004

**McClure**  
1 East Specht Street  
McClure PA 17841

**Mount Union**  
23-27 East Shirley Street  
Mount Union PA 17066

as low as **2.48%** Annual Percentage Rate

**NO FEE\* HOME EQUITY LOAN**

**MCS BANK**  
WWW.MCS-BANK.COM  
1.844.245.9495

Get the best interest rates from  
LENDERS YOU CAN TRUST.

\*All fees are waived if the applicant meets the following qualifications: 80% maximum loan to value; \$10,000 new money; payment autodrafted from an MCS Bank checking account; owner-occupied, single-family residence, and complies with MCS Bank's home equity credit underwriting standards. Closing costs will be paid by the Bank with the exception of professional appraisals (estimated cost of \$475) if required due to loan to value requirements. APR accurate as of publication date.



**MCS BANK**  
**SOLUTIONS**

*Did you know...*

Many factors come into play when you consider purchasing your first home. The most important first step is to have a prequalification from your bank. A loan officer can help you determine the amount you can afford. The monthly mortgage payment isn't the only consideration. You must also be able to afford the true cost of ownership, which includes real estate taxes and insurance. Most real estate agents will not spend time with clients who haven't clarified how much they can spend. In most instances, sellers will not consider an offer that's not accompanied by a mortgage pre-approval. After you've talked to your bank and are aware of your budget, you are ready to find a realtor. The seller will help you contact agents to set up showings and help you negotiate the purchase. Remember – the buyer doesn't pay for working with a realtor. The seller pays all the commission. Once you have located the home of your dreams, it's time to take another look at the numbers before you make an offer. This time, you need to factor in the closing costs, moving expenses and any immediate repairs and appliances needed before you move into the home. You will also want to look over the utility bills for the property. Your new home may have higher ceilings and older windows, both of which can increase your energy costs. Purchasing your first home is most likely your biggest financial decision. Don't take on more of a financial obligation than you can handle. Even a small stretch could haunt you if life gets temporarily bumpy.

**The Heartbeat of our Organization**

*MCS Bank recently held our annual employee recognition event. During this annual event we recognize and honor fellow employees for their various contributions to the Bank, its customers and the community during the prior year.*



This year, several employees reached important service milestones: 20 years-Margie Drake; 15 years-Kathy Rarich and Tom French; 5 years-Ashley Fultz and Krystal Pannebaker. These milestones demonstrate the commitment our employees have made to MCS Bank AND to our customers.

Civic involvement and volunteer service contributions were significant throughout 2015. Employee involvement and service touched numerous organizations and causes, highlights of which are: United Way of Mifflin-Juniata, MifflinCounty Library, American Cancer Society, Huntingdon County PRIDE, American Red Cross, Downtown Lewistown, Inc., Mifflin-Juniata Regional Services, Kiwanis, Food Bank, Rotary, Mount Union Chamber of Commerce, sponsorship of various youth sports teams, Lion's Club, Sponsorship of Volunteer Income Tax Assistance (VITA)

As a local community bank, we are proud to share our fellow employees' milestones and those things they do to make life a bit better where we live and work.

We express this same pride and extend the same commitment to working with our customers to deliver banking products and financial services in a way that meet your needs and help you to make decisions that are best for you!

**Notice**

Effective Friday, July 1, 2016, the following Branch Offices will begin closing at 6:00 P.M., rather than at the current 7:00 P.M. closing time.

**Lewistown, Belleville, Mount Union, McClure**

For a detailed list of banch hours, please contact any of our offices, or visit the "Locations and Hours" section of our website.

