



Helping the members of Cyprus Credit Union secure their financial future.

creditalk

Fall Edition
October 2013

Withdrawing your assets

Understanding Required Minimum Distributions

When it comes time to start withdrawing the money you've spent a lifetime accumulating in your retirement portfolio, you want to ensure that you make the right decisions. One that the government makes for you is requiring that you withdraw at least some of your funds annually, depending on the account type.

This is known as a required minimum distribution, or RMD, and it must be taken from your non-Roth retirement accounts by April 1 each year, starting the year after you turn age 70 1/2.

An RMD is generally determined using uniform life expectancy tables that take into consideration the account owner's and/or account beneficiary's age

and marital status, as well as their account balance(s) as of December 31 of the year prior to the distribution year.

Here are some of the important considerations for those entering the "distribution phase" of their investing lives.

- ◆ You can pick the account(s) you withdraw from. If you have more than one of the same type of retirement account - such as multiple traditional IRAs - you can either take individual RMDs from each account or aggregate your total account values and withdraw this amount from one account. As long as your total RMD value is withdrawn, you will have satisfied the IRS requirement.



- ◆ If you own more than one type of account, such as an IRA and an employer-sponsored account, you'll need to calculate your RMD for both types of accounts separately and take the proper amount from each.
- ◆ If you are still employed at age 70 1/2, you may be able to defer taking RMDs from your employer-sponsored plan until after you retire. Check with your employer to see if this applies to you.

- ◆ If you fail to take your full RMD, the IRS may assess an excise tax of up to 50% on the amount you should have withdrawn and you'll have to take the distribution.
- ◆ You will probably face a full or partial tax bite for your distributions, depending on whether your traditional IRA was funded with nondeductible contributions. Note also that the amount you are required to withdraw may bump you up into a higher tax bracket.

Continued on page 3

First Notice of Annual Meeting

The annual meeting of Cyprus Credit Union is scheduled at the Hunter High School auditorium **Monday, February 4, 2013**. In conjunction with the annual meeting, an election for the Cyprus Credit Union Board of Directors will be held. The nominating committee has made the following nominations:



David Tanner

David M. Tanner served for more than 20 years as a director of Northwest Credit Union. He was a charter member of Northwest CU before its merger with Cyprus Credit Union. David is currently a member of the policy committee for the Board of Directors. David received a B. S. in accounting from Brigham Young University, an MBA from the University of Utah, and also obtained the professional designations of Certified Public Accountant and Certified Internal Auditor. He retired from Williams, in 1999, where he held positions in accounting, treasury, marketing and internal audit.



Dayle Flandro

Dayle Flandro has been a member of Cyprus Credit Union for over 55 years. In 1976 he became a volunteer by serving on the Credit Committee for Cyprus Credit Union. Dayle has been a member of the Cyprus Board of Directors for the over 35 years. Dayle has enjoyed being involved in making credit union policies. He has served on many committees and has attended many Credit Union schools to further his understanding of the responsibilities of a board member and to keep abreast of the latest technology and changing laws in the financial world.



Don Betenson

Don Betenson has been a credit union volunteer since 1990 and a credit union member since 1979. He has served as Board secretary for more than 10 years. He has worked in accounting, auditing and finance management positions for nearly 37 years. He earned both a Bachelors and Master's Degree in accounting from Brigham Young University. He was licensed as a CPA in Utah in 1977. Don enjoys his service to the Credit Union. He believes that Cyprus is one of the best credit unions around and looks forward to serving members in the future.

Running for the Board of Directors

Persons interested in running for the board of directors must meet the following qualifications:

- ◆ Be a member of Cyprus Credit Union for a minimum of 12 months.
- ◆ Submit a petition to the nominating committee signed by 500 members by November 15, 2013. The petition must include a signed certificate from the nominee stating they are agreeable to the nomination and a statement of qualifications and biographical data.

Send petitions to:

Board Nominating Committee
Cyprus Credit Union
P.O. Box 9002
West Jordan, UT 84084

Voting by ballot will be held at the annual meeting. Nominations from the floor will not be accepted. Requirements for service on the Cyprus Credit Union board of directors include:

- ◆ Being a Cyprus Credit Union member in good standing.
- ◆ Attending 75% of all board meetings as required by law. Failure to do so will result in prompt removal from the board.
- ◆ Being knowledgeable in all areas of credit union activity and be willing to attend training and planning sessions.
- ◆ Working for the good of the organization in accordance with the rules and regulations governing the operation of the credit union.

Board members cannot be monetarily compensated and are collectively liable for the actions of the board both during and after serving on the board of directors.

Withdrawing your assets continued

- ◆ You can donate your RMDs to charity. IRA owners can donate up to \$100,000 of their annual distributions to qualified charities and have it count toward their RMD. If you've inherited an IRA, these donations are allowable as long as you are over age 70 1/2.
- ◆ Roth accounts are exempt. If you own a Roth IRA or Roth 401(k), you don't need to take an RMD. However, note that any distributions taken from a Roth do not count toward your RMD amount and that restrictions apply to the beneficiaries of inherited Roth accounts.

To make the most of your retirement funds contact Craig Nelson in our Investment Services department. Craig has nearly 20 years of experience in retirement and investment advising and does not work on commission. Call Craig Nelson today at 801-260-7640

Source/Disclaimer:

The information in this communication is not intended to be tax advice. Each individual's tax situation is different. You should consult with your tax professional to discuss your personal situation.

© 2012 S&P Capital IQ Financial Communications. All rights reserved.

Mortgage Changes Benefit Borrowers

Home loan rates are still at historic lows. And with the recent changes to Federal Housing Administration (FHA) policies, it's a great time to think about buying your first home, a bigger home, build a new home or remodel.

The FHA has made changes to policies that benefit borrower's with derogatory credit history. Potential borrowers who experience a decrease of income by 20% or more for at least six months, that resulted in serious derogatory credit, including a short sale, foreclosure or bankruptcy may still be able to borrow if...

- ◆ Loss of employment or income was due to an extenuating circumstance beyond his or her control and can be documented;
- ◆ A satisfactory credit history has been restored for a period of 12 months
- ◆ Housing counseling has been completed

This creates a great opportunity for borrowers who may have been seriously impacted in recent years by economic conditions and are again seeking home ownership with an FHA home loan.

If you have any questions about your personal situation, or would like to inquire about a home loan, we are your neighborhood mortgage lender. Call us today at 801-260-7600 ext. 5340 or log on to cypruscu.com/mortgages/ and apply today.



Cyprus Credit Union is proud once again to sponsor the Salvation Army's Angel Tree program, providing gifts for thousands of needy children in Utah. This November and December, adopt an angel at any Cyprus branch location and give a deserving child or senior citizen a bright and happy Christmas.

Starting the week of Thanksgiving you can visit any of our 16 branch locations from Centerville to Saratoga Springs to adopt an Angel. Each branch will have a tree decorated with Angels available for adoption. You can shop for an Angel or simply make a cash donation at any Cyprus Credit Union or by calling 260-7600 ext. 5000. One hundred percent of cash donations are used to supply the Salvation Army Angel Tree store with toys, clothes, coats, shoes, snow boots, and other essential items.

The Angel Tree Program supports needy families; every dollar donated goes to a Utah child or senior citizen in need this holiday season. To find an Angel Tree near you or to make a donation call (801) 260-7600 ext. 5000.

Credit Union Holidays

Columbus Day
Monday, October 14

Veterans Day
Monday, November 11

Thanksgiving Day
Thursday, November 28

Christmas Day
Wednesday, December 25

New Years Day
Wednesday, January 1



Cyprus Helps Beat Hunger by a Mile

Cyprus Credit Union teamed up with The Utah Food Bank to help Beat Hunger by a Mile. Volunteers lined the streets of downtown Salt Lake City with non-perishable food to bring awareness to hunger in Utah. The continuous chain of food began at the City-County Building and continued for one mile, uninterrupted, to the state Capitol.



Cyprus employees helped gather food donations, set up the line and manned a city block during the event. "This was a fun way to get involved and help bring attention to a worthy cause," said Chelsey Watson, a branch manager at Cyprus Credit Union who volunteered at the event.

This event was in conjunction with Cyprus Credit Union's Feeding Utah food drive. Now through September 30th anyone can make a cash or food donation to the Utah Food Bank at any Cyprus Credit Union location. To find the location near you visit cypruscu.com.

DOUBLE YOUR AWARDS

Use your Cyprus Visa Platinum Plus Credit Card during the months of November and December and we'll double your award points!

Apply for a Visa Platinum Plus Card at <https://cypruscu.com/visa>



Member Services
801.260.7600
800.929.7787
Phone Banking: 801.260.7999
Website www.cypruscu.com

