

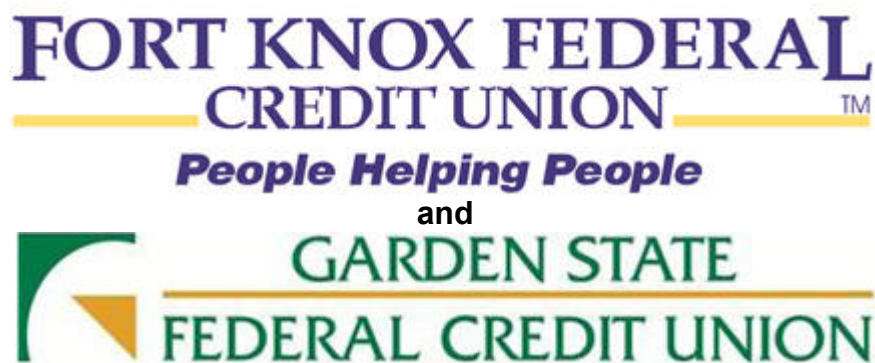
# Consumer News & Views

Published twice monthly

September 15, 2012



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### **Middle-Class Consumers Lose Income Ground, but the Rich Get Richer.**

The latest report from the U.S. Census Bureau about the income levels of America's middle-class is something most consumers already knew. The Census Bureau reported that income of American households dropped dramatically in 2011, falling again for middle-income and working-age people while rising for top-earners and seniors.

According to USA Today, the overall median household income fell 1.5% to \$50,054 last year, the fourth consecutive annual decline after adjusting for inflation, the bureau said. The typical household has lost ground in seven of the past 10 years and now takes in less cash than it did in 1996 when adjusting for inflation.



The annual income report is a key indicator of the economic health of the nation and its middle class. Median income is the middle point of households — half made more, half made less in 2011. Only a handful of groups did better last year:

- Affluent.** The income for the top 5% of households — those making \$186,000 or more — rose 5.3% last year, reflecting the growing value of highly educated professionals. Income gains were greatest among the top 1%, said David Johnson, chief of social, economic and housing statistics for the Census Bureau. There is a "widening of the gap between the top and the bottom," he said.

- Seniors.** Those 65 and older saw household income rise 2% above inflation last year and 12.8% over the last decade, helped by the steadiness of Social Security checks.

**Big losers:** people in their prime earning years. All age groups between 25 and 64 suffered income drops in 2011. Households headed by 45- to-54-year-olds — when earnings typically peak — have seen a 13.4% decline in median earnings over a decade, a drop of nearly \$10,000 a year.



"You think everything else is going up, so the rate of pay would go up, but it's not," said Brian Wooldridge, 39, of Newport, Del., who's looking for an inventory control job that pays \$3 an hour less than he once earned doing the same thing.

**FORT KNOX FEDERAL**  
**CREDIT UNION** <sup>TM</sup>  
*People Helping People*

*The American Consumer Council and the Kentucky Consumer Council are pleased to have Fort Knox Federal Credit Union as a sponsoring member.*

Fort Knox Federal Credit Union, established in 1950, is a not-for-profit financial service cooperative and is owned by and serves its 72,000-plus members throughout the world. The Credit Union operates 12 branches in central Kentucky conveniently located in Bardstown, Brandenburg, Campbellsville, Danville, Elizabethtown, Fort Knox, Leitchfield and Radcliff and is insured by NCUA for individual deposits up to \$250,000. Due to its superior financial strength, Fort Knox Federal also offers Excess Share Insurance of up to an additional \$250,000 per regular share and/or checking account making each qualifying balance insured to \$500,000.

Fort Knox Federal has been awarded the BAUER FINANCIAL highest 5-star SUPERIOR rating for safety for 25 consecutive years. Bauer Financial president Karen L. Dorway said, "Fort Knox Federal Credit Union has the distinction of being an 'Exceptional Performance Credit Union.' (Fort Knox Federal members) can sleep soundly in the knowledge that they belong to one of the strongest credit unions in the country."

Last year, Fort Knox Federal won approval to provide onsite financial services at the U.S. Army's new Human Resources Complex at Fort Knox. This new full service branch will be the third Fort Knox Federal location on post. Fort Knox Federal is the only financial institution with branches both on and off post. In addition to 12 branches throughout central Kentucky, Fort Knox Federal also offers free ATM access with more than 100,000 surcharge free ATMs worldwide and completely free online banking with [Branch@Home.com](http://Branch@Home.com). In Spring 2010, Fort Knox Federal opened an additional branch in Hodgenville and a new free-standing branch in Brandenburg to better serve members in those communities.

#### **FKFCU Mobile**



#### **Banking Anywhere!**

With *FKFCU Mobile*, you can access your accounts whenever and wherever you want. Use your mobile phone or device to conveniently bank the way that's best for you whether it be, Mobile Banking, Text Banking or Downloadable Applications! For more information on membership or online banking at **Fort Knox Federal Credit Union**, please visit their website at: [www.fortknoxfcu.org](http://www.fortknoxfcu.org) or call toll free: 1-800-285-5669 begin\_of\_the\_skype\_highlighting 1-800-285-5669 end\_of\_the\_skype\_highlighting.

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### **Federal Reserve Upgrades USA Economy Forecast for 2013.**

Federal Reserve officials said economic growth will improve faster than they had earlier projected as they embarked on a third round of asset purchases aimed at spurring the expansion.

According to Bloomberg reporters, Federal Open Market Committee participants upgraded their estimate for 2013 gross domestic product growth to 2.5 percent to 3 percent, compared with 2.2 percent to 2.8 percent in June. Estimates for 2014 are from 3 percent to 3.8 percent, versus 3 percent to 3.5 percent in the previous forecast, according to the central tendency forecasts, which exclude the three highest and three lowest of 19 projections.

The Federal Open Market Committee said today the Fed will expand its holdings of long-term securities with open-ended purchases of \$40 billion of mortgage debt a month.



Federal Reserve Chairman Ben S. Bernanke speaks at a news conference in Washington about the U.S. labor market and unemployment rate.  
Photographer: Andrew Harrer/Bloomberg

The Federal Open Market Committee said today the Fed will expand its holdings of long-term securities with open-ended purchases of \$40 billion of mortgage debt a month. Economic growth has been too weak to reduce an unemployment rate stuck above 8 percent for 43 months. Officials forecast today that unemployment will average 7.6 percent to 7.9 percent in the final three months of next year, compared with 7.5 percent to 8 percent at their June meeting.

“The labor market looks like it has a very long slog back to normal,” Michael Dueker, a former St. Louis Fed economist who helps oversee \$152 billion as chief economist for Seattle-based Russell Investments, said before the Fed meeting. “If you look at the momentum the economy had in the first quarter, there’s no sign of that returning anytime soon.” Thirteen of 19 officials said the first interest-rate increase would be warranted in 2015 or later. The Fed has kept the benchmark lending rate in a record-low range between zero and 0.25 percent since December 2008.

#### Earlier Estimate:

In 2014, the unemployment rate will be 6.7 percent to 7.3 percent in the fourth quarter, compared with an earlier estimate of 7 percent to 7.7 percent.

Fed officials update their economic forecasts four times a year. Twelve members of the FOMC vote on the policy statement, while the interest-rate and economic projections reflect the views of all 19 Fed officials. Not since February has monthly payroll growth topped the 150,000 to 200,000 level Chairman Ben S. Bernanke says is needed to reduce unemployment.

Employers added 96,000 jobs in August, down from 141,000 in July, the Labor Department said Sept. 7. The 226,000 average pace of growth in the first quarter of this year plunged to 67,000 in the second quarter.

The unemployment rate declined to 8.1 percent last month from 8.3 percent as 368,000 Americans left the labor force. More than 12.5 million in the U.S. are out of work, and more than 5 million have been jobless for at least six months.

The U.S. economy grew 2 percent in the first quarter of this year before slowing to 1.7 percent in the following three months. GDP will expand 1.8 percent in the third quarter and 2.1 percent in the fourth, according to the median of 76 estimates in a Bloomberg News survey.



The American Consumer Council and New Jersey Consumer Council are pleased to welcome Garden State Federal Credit Union as a sponsoring member.

Garden State FCU, headquartered in Moorestown, NJ, is the alternative to the big bank. We serve our members by offering a variety of products and services to meet the needs of our members. We are regulated by the National Credit Union Administration (NCUA). Because we are non-profit and member-owned, all earnings are given back to the membership in the form of higher interest rates on savings accounts, lower rates on loans, low or no fees, and/or improving or offering new services.

#### What do We Offer?

We offer a variety of products and services to help you reach your financial goals!

- We have different types of accounts such as savings accounts, checking accounts, money market accounts, Christmas clubs, Vacation clubs, IRAs, and certificates of deposit.
- We offer a variety of loans such as unsecured loans, auto loans, home equity loans, credit cards (unsecured and secured), boat loans, RV loans, motorcycle loans, and savings-secured loans.
- We have many different services to help you manage your account such as PAM (account access via the Internet), Mobile Money, Account to Account Transfer, PAT (account access by phone), e-statements, and Visa check cards. We are also part of the shared branching network, so you can walk into a participating credit union anywhere in the United States to perform deposits and withdraws as if you were at our location.

### Who is Eligible to Join?

Members of the American Consumer Council are eligible to join as well as those who live, work, worship, or attend school in select towns in Camden County, NJ and individuals who work for Verizon in Central and Southern New Jersey.

### How to Contact Us ?

**Visiting our location.** Our Moorestown location is open Monday – Friday 7:30 AM to 6 PM and Saturday, and our Bellmawr location is open Monday – Thursday 8 AM to 4 PM, Friday 8 AM to 6 PM, and Saturday 8 AM to 12 PM.

**By phone** at 1-800-713-2274 *begin\_of\_the\_skype\_highlighting* 1-800-713-2274 *end\_of\_the\_skype\_highlighting* during our hours of operation

**Via the web** at: [www.gardenstatefcu.org](http://www.gardenstatefcu.org)

**By mail** at: P.O. Box 680, Moorestown, NJ 08057

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## Green C<sup>SM</sup> Certification Accepting Applications for 2012 Fall Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green C<sup>SM</sup> Certification**. Applications for the 2012 Fall cycle are now being accepted through December 10, 2012.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green C<sup>SM</sup> Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

