



United Community Credit Union

Members' Quarterly

www.unitedccu.org

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UCCU Board Recommends New Alliance

Over the past several months, our Board of Directors and the Boards of Champlain Valley Credit Union in Essex and Bryant Credit Union in Springfield have been meeting to discuss combining operations to form ONE credit union. The UCCU Board, along with the Boards of the other two credit unions, sees this as an excellent opportunity for three financially sound and philosophically similar credit unions to benefit and protect our members now and in the future by addressing financial, technological, and regulatory challenges through consolidation of resources.

By consolidating resources for example, we can eliminate a large number of redundant costs and potentially pass many of those savings on to our members through lower loan rates, higher savings rates, lower fees and competitive and secure service offerings. This new entity would comprise six counties in Vermont and one county in New Hampshire and offer a total of seven office locations from which to better serve our current members. The three credit unions would merge as ONE but each would remain in place as a division of the new entity. Most of our members will continue to do business as usual with the same local, friendly staff members they do business with today. The new entity would also be represented by 5 members of our current Board of Directors.

An application for this consolidation is currently being reviewed by the State of Vermont Department of Banking and Insurance, and upon preliminary approval, the state will schedule a series of public hearings for informational purposes. After that, we will be mailing out an informational packet with additional details about this process. It will include a date and time for a Special Meeting of Members to take a vote on this.

Our Staff and Board are very excited about this potential union and the array of benefits it would bring to the UCCU membership. Some of our long-time members may recall that UCCU evolved from a merger back in the mid-80's and that proved to be a boon to our members then. Watch for more details in the coming weeks. Should you have any questions about this feel free to contact CEO Tim Golden at 802-479-2836 X104.

Savings Cushion During Economic Downturn

In today's economy, being financially prepared for unexpected and infrequent expenses is more important than ever. But a 2008 survey by the American Savings Education Council revealed that only 28% of Americans set aside at least 10% of their income – the amount experts recommend.

"People who have a comfortable cash position – a reserve fund – can ride out the bumps in many situations. Cash is what gets you through the hard times," says Connie Kilmark, a financial counselor and consultant in Madison, Wis.

To help build savings:

- Pay yourself first. NACHA, the electronic payments association, Herndon, Va., surveyed 1,505 people by telephone in 2006. The survey revealed that those using direct deposit save \$390 a month, \$90 more than those saving manually. It's not magic – it's being consistent instead of random in your savings patterns. Direct deposit is convenient, safe, timely, and environmentally safe.
- Cut credit card costs. Switch to a United Community Credit Union credit card. Our Card interest

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Are You A Winner?

If your account number appears below, let us know, and we'll credit your share account \$10.

#1377 #5566 #8386
#10980 #14420 #92092

Office Closings

January 18 Martin Luther
King Jr. Day

February 15 Presidents' Day



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United Community Credit Union*

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Use Benefits Calculator to Get Retirement Ready

More than half of all Americans have not taken the time to complete a retirement-needs calculation – the first planning step to determine how much money they need to save for a comfortable retirement.

Social Security benefits are just one piece of retirement income, but determining your future benefits is an important planning step. The retirement estimator at ssa.gov can help. The estimator's calculations are tied directly to your actual Social Security earnings record so you don't have to manually enter data. It also provides a more accurate estimate of benefits than previous calculators, as well as improved speed and security. This can help you better plan for your retirement years and determine whether your savings are sufficient to maintain a suitable standard of living.

Once you've estimated your Social Security benefits, you will have a better idea of how much you will need in personal savings. These first steps can help you become retirement ready:

- Track expenses and evaluate whether those expenses will continue in retirement;
- Create a budget for your current situation;
- Determine current net worth;
- Get an estimate of pension or 401(k) or 403(b) income possibilities, and determine when you are eligible for retirement;
- Determine whom you'll be providing for in retirement, and plan for long-term care for any dependents;
- Calculate your life expectancy;
- Set a retirement savings goal and make a plan to reach it.

Saving is even easier if you use direct deposit at United Community Credit Union. With direct deposit, you skip the paper checks – your employer deposits the money directly to your savings account, allowing you quicker access to your funds. Direct deposit also eliminates the worry of misplaced or lost checks sent in the mail.

Check Out Our Website: www.unitedccu.org

OFFICE HOURS

	<u>Lobby</u>	<u>Drive-up</u>
Monday-Wednesday	8:30-5:00	8:00-5:00
Thursday	9:00-5:00	8:00-5:00
Friday	9:00-5:30	8:00-6:00
Saturday	9:00-12:00	9:00-12:00

UCCU RATEBOARD

(As of January 1, 2010)

DIVIDEND RATES	APY
Regular Shares	0.50%
Share Drafts (checking)	0.25%
Multi-Purpose Club	0.50%
Christmas Clubs	0.50%
IRAs	2.02%
Hi-Yield	
\$500-\$9,999	0.75%
\$10,000-\$24,999	0.90%
\$25,000-\$49,999	1.05%
\$50,000 and above	1.30%
Term Certificates	
6 Months	1.30%
12 Months	1.51%
24 Months	2.05%
36 Months	2.30%
48 Months	2.85%
60 Months	3.25%

LOAN RATES

Secured: includes Cars, Trucks, Campers, RVs, Motorcycles, ATVs, Snowmobiles and Boats.

TERM*	RATE*
24 Months	4.25%
36 Months	4.75%
48 Months	5.25%
60 Months	5.75%
72 Months	6.25%

Add 1.00% for 2005 to 2006 model years

Add 2.00% for 2003 to 2004 model years

Add 3.00% for 2002 and older model years

Add 2.00% for vehicles over 100,000 miles

Deduct 0.50% for payments by Direct Deposit; or Deduct 0.25% for payments by Auto-Transfer

Signature:

60 Months 9.75%

* Rates and terms are determined by an evaluation of your credit and LTVs.

Other:

Home Equity Line-of-Credit	3.00% (Prime - 0.50%; Floor = 3.00%)
Home Equity Fixed	
60 Months	5.25%
120 Months	5.75%
180 Months	6.50%
Share Secured	2.50%
CD Secured	CD rate +2%
VISA Credit Card	11.90%
Home Mortgages	call for current rates

(All Rates are Subject to Change – see our website for up-to-date rates)

Get a Head Start on Your Next Vacation

One creative credit union member shares a novel idea his family uses to pay for a vacation. Steve writes:

“Every year we start saving for our next vacation as soon as we return from one. Each month we transfer a fixed amount out of our checking account into a credit union money market ‘vacation account’ that receives a higher rate of interest. My wife and I agree to use this account only for vacation savings.”

Steve emphasizes getting agreement from the family. For any successful family budget goal, you have to have buy-in. He continues:

“In addition to our monthly transfer, we have an agreement to deposit every gift of money we receive – from Christmas, birthdays, whatever – into this account. The same goes for any rebate checks we receive from product purchases during the year. Basically, every little ‘extra’ check we receive goes directly into this account.”

Steve and his wife also put all their spare change, every day, into a vacation piggy bank, and top it off from time to time with an extra 10 or 20 dollar bill when they’re a little flush. Every few months they deposit that money back into their vacation money market account. They call this “sweeping the gold dust out of the corners.”

There’s more. Steve and his wife pull money out of their money market account every so often and put in into a short-term share certificate/CD (certificate of deposit) to get an even higher yield. He says they often have CDs maturing almost every month that they can deposit into their money market “vacation account” as their vacation date draws near.

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Stay a Step Ahead of Fake Check Scams

Maybe you receive a letter stating you've won a foreign lottery but must wire back part of the enclosed check to pay taxes. Maybe someone offers to buy your online auction item but writes a check for more than the purchase price, asking you to wire back the difference. Or maybe you are offered a mystery shopping opportunity in which you make purchases with money from a provided check and then wire back the rest.

Whatever the pitch, don't be fooled. The check is fake, and it's a scam.

It works like this: The crook sends you a check, and makes up a reason for you to deposit it and wire some of the money back – such as paying fees on a sweepstakes you've won or returning the excess from a check for which they "accidentally" wrote the wrong amount. The checks look real, and often are printed with the names and contact information of actual financial institutions.

If you do as the scammer asks, it can take weeks for the fake check to be discovered – and when it is, you are responsible for paying back the lost amount.

Follow these tips to protect yourself from a fake check scam:

- Discard any offer that asks you to pay to claim a prize. A legitimate lottery would never ask you to pay for taxes, fees, or anything else – if you actually won, you would pay those taxes to the government.
- Instead of a check, consider using an online payment service or escrow service you trust to accept payment for online auction or classified items. These services often have built-in fraud prevention measures to protect both buyers and sellers.
- If you do accept a check, request one from a financial institution with a local branch so you can stop in to verify that the check is valid. If that's not an option, call the financial institution the check came from – but do not use the contact information on the check. Find a phone number from the financial institution's Web site or directory assistance instead.
- Throw away any offer that asks you to cash checks and wire money back as a mystery shopper or work-from-home employee. No legitimate employer would work this way.

If you have a check that makes you suspicious, consult the professionals at United Community Credit Union before cashing or depositing it.

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rate is lower than interest rates on many bank cards, and we have lower fees as well. Pay on time and, whenever possible, pay the balance in full each month.

- Save your tax refund. Use it to help build a savings fund for budget challenges. Use it to cover unexpected as well as anticipated expenses, such as insurance premiums. Pay down debt so you can save even more money in the future.

Make saving a habit and you'll be ready for any financial challenge that comes your way.

United Community Credit Union can help you set up a spending plan to help you meet your savings goals. You'll be surprised how much peace of mind you'll gain when you have emergency savings to fall back on. Stop by or call us today.

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Steve and his family are doing several smart things that you can apply to any savings project:

- They have a goal – to vacation without borrowing money;
- The goal has a deadline – the next vacation;
- They automate their savings – studies show that people can save more when it's automatic and not random;
- They agree on the strategy and work together.

Stop in or call us to talk about how United Community Credit Union can help you reach your savings goals.