



United Community Credit Union

Members' Quarterly
www.unitedccu.org

560 South Barre Road • PO Box 550 • South Barre, VT 05670
Toll Free: 877-288-8228 • Tel: 802-479-2836 • FAX: 802-476-1063 • Tele-Teller-24: 802-476-1062

VOL. 11, Number 1 January 2008

Why Credit Unions Aren't Banks

When you walk into our lobby, or call a loan officer, what makes United Community Credit Union different from a bank isn't immediately apparent. The two financial institutions may offer similar products and services. But there the similarities stop. Crucial differences exist – in ownership, in cost of borrowing money, and in use of services.

You own your credit union. Credit unions are member-owned not-for-profit financial cooperatives dedicated to improving members' lives. More than 89 million members own 8,600 U.S. credit unions with combined assets of \$732 billion. Stockholders own banks (with combined assets of \$10 trillion). Banks make money for stockholders, not for customers.

Credit unions are the only democratically controlled financial institutions in the United States. You and other members elect a volunteer board of directors to oversee the credit union. The manager or president/chief executive officer reports to this board. Bank directors, however, are paid and legally bound to make decisions that benefit stockholders, not customers.

Credit unions have the best rates. Credit unions price loans, pay interest on funds you've deposited, and charge fees to provide you with high-quality, low-cost services. Banks price products and services to make a profit.

Credit union loan rates also are better. The average credit card interest rate is about three percentage points better at credit unions vs. banks. And credit union used car auto loans average more than one and one-half percentage points less than banks' auto loan rates. Credit unions make consumer loans and some member business loans. Banks offer consumer loans, but really emphasize business loans.

Credit unions educate members about money matters. They provide publications such as this newsletter to keep you advised of rates, loan sales, and financial trends that affect you. United Community Credit Union stresses education, providing materials and web tools to help you make informed buying decisions. Many banks simply advertise their rates and sell their services.

Because you're an owner of United Community Credit Union, you have a say in how we do business. Please plan to join us for our 65th Annual Meeting as described on Page 4. It's one of the benefits of Credit Union Membership. Let us know how you think we're doing, and what services you want at your credit union.

Pay Your Bills Online-- It's Easier and Safer

Why write checks and pay postage to mail your bills when, with the click of a button, you safely can pay online?

Online bill payment saves you the bother of hand writing checks and envelopes each month. You'll save on postage too, and online transactions via secure Web sites are much safer than mailing checks. Paper checks can be stolen – or your account information compromised - during the several points they're handled in the mail or during processing. With today's identity theft issues, that's a real concern.

Online bill pay is really easy to set up. Go to www.unitedccu.org and click on the "Bill Payer" link. You can sign up online or just try out the Demo.

At United Community Credit Union, online bill payment is free. You just enter your service providers' information on the credit union Web site, and then schedule bills to be paid automatically on certain days each month. Or you can go to the site and pay each bill whenever you wish. Either way, the amount transfers electronically from your UCCU checking account to the service providers. If the providers don't accept electronic payments, United Community Credit Union prints and sends paper checks on your behalf.

You should check your account balances and payments regularly and utilize UCCU's Home Financial Services as a companion service with Bill Payer. Online bill payment is perfectly safe; plus, it's easier than you think.

Call us today at 479-2836 with questions you have about our online services.

**Check Out Our
Website:**

www.unitedccu.org

Are You A Winner?

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

#1251 #5221 #8068
#10909 #13245 #91996

Office Closings

January 21 Martin Luther
King Jr. Day
February 18 Presidents Day



Members' Quarterly

is published each quarter by the
United Community Credit Union

BOARD OF DIRECTORS

Dorothy Gavin, President
Daniel Lambert, Vice-President
Donald Denko, Treasurer
Mario Lorenzini, Secretary
Mark McCarthy
Russell Slora
William John Mitchell II

CREDIT COMMITTEE

C Martin Prevost Sr., Chairman
Gregory Bergeron
Forrest Rouelle

SUPERVISORY COMMITTEE

Julianne Monty, Chairman
Barbara Menard
Donald Murray

UCCU STAFF

CHIEF EXECUTIVE OFFICER

Timothy W Golden, CCUE

LOAN OFFICERS

Lorie Whittemore, Supervisor
Stephanie Boucher
Joanne Boutin

MEMBER SERVICE

REPRESENTATIVES

Kimberly Sumner, Supervisor
Deborah Brothers
Doreen Hutchins
Betsy Kelly
Brenda Labrie
Jessica Purcell White

Jenna Moran

OPERATIONS SPECIALIST

Cynthia Bresett

How to Cut the Cost of Driving

Gasoline prices are rising again, but fuel is just one factor in the high cost of driving an auto. According to AAA, you can drive a small sedan 15,000 miles a year for 41 cents per mile. You'll spend 66 cents a mile, or \$3,750 more a year, to put 15,000 miles on a four-wheel-drive.

Many factors feed the cost of driving: financing, depreciation, maintenance, insurance, and driving habits.

Financing: Credit unions usually offer the best rates on loans, but you also should compare the loan term, fees, and prepayment penalties. If the dealer offers a rebate, you may save more money by taking the rebate and financing with us rather than taking the low-rate loan.

Depreciation: Depreciation is usually the largest part of the cost of driving. AAA estimates the average annual depreciation on a sedan driven 15,000 miles per year at \$3,392. Kelley Blue Book says that after five years, the average car is worth 35% of its sticker price. But some cars, especially Honda and Acura, have much lower depreciation. Ignoring the current value of a used car can put you "upside-down" if you trade the car and pay off the loan: You may owe more on the car than it's worth.

Maintenance and Repair: AAA estimates the maintenance costs of sedans at about five cents per mile, which is – surprise – about half of the gasoline cost per mile.

Insurance: AAA estimates insurance expense for the average sedan at \$985 per year, which would cover a 47-year-old male driver with a good record, and a short commute. Insurance for drivers who are male, younger than age 25, poor students, or have a record of moving violations and/or accidents is more expensive. Raising the deductible and reducing the maximum coverage can lower premiums but will increase your risk.

Driving habits:

- Drive defensively. Try to stay off the road late at night when most accidents occur.
- Keep tires inflated to improve mileage and cut the chance of a blowout.
- Drive mild, not wild: Accelerating slowly and coasting up to stoplights can improve gas mileage up to 30%.
- Use the cruise control to save 4% to 14% in gas.
- Drive less to save on gas, oil, maintenance, and depreciation.
- Drive less: Think about carpooling, biking, or walking.

United Community Credit Union can help with all your auto financing needs. Contact us today at 479-2836 or stop by the office.

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, 2008)

DIVIDEND RATES APY

Regular Shares	1.26%
Share Drafts (checking)	0.25%
Multi-Purpose Club	1.26%
Christmas Clubs	1.25%
IRAs	4.59%
Hi-Yield	
\$500-\$9,999	2.25%
\$10,000-\$24,999	2.75%
\$25,000-\$49,999	3.25%
\$50,000 and above	3.75%

Term Certificates	
6 Months	4.50%
12 Months	5.00%
24 Months	4.75%
36 Months	4.70%
48 Months	4.65%
60 Months	5.05%

LOAN RATES

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

TERM*	RATE*
24 Months	5.00%
36 Months	5.50%
48 Months	6.00%
60 Months	6.50%
72 Months	7.00%

Add 1.00% for 2003 to 2004 model years

Add 2.00% for 2001 to 2002 model years

Add 3.00% for 2000 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-Pay

Signature:

60 Months	9.75%
-----------	-------

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

Other:

Home Equity Line-of-Credit	6.75%
(Over 80% LTV)	7.75%
Home Equity Fixed	
60 Months	6.00%
120 Months	6.75%
180 Months	7.50%
Share Secured	3.25%
CD Secured	CD rate +2%
VISA Credit Card	11.90%
Home Mortgages	call for current rates

All Rates are subject to change.

(For current rates, visit our website at www.unitedccu.org)

Certificate Laddering: A Strong Alternative for Your Savings

You've accumulated a substantial amount in your share savings account and are thinking of shifting the funds into share certificates to earn higher interest. Here's your dilemma: Do you put your money in longer-term certificates to get the highest rate? Or do you invest in shorter-term certificates to keep your money more readily accessible-even if it means settling for a lower rate?

"Laddering" is a strategy that lets you have it both ways. Say you have \$12,500 to invest in certificates. Put \$2,500 each into certificates that mature in one, two, three, four, and five years. One year later, your first certificate matures, yielding you \$2,500 plus dividends earned. If you need the money, you cash in. If you don't, you reinvest in a new five-year certificate, at a higher dividend rate.

The next year, the two-year certificate matures. Again, if you don't need the money, you reinvest in a new five-year certificate.

By the end of the fourth year, all your money is earning at the five-year rate. Yet a certificate matures each year, so you can tap into the cash if you need it. Laddering gives you both bigger savings and the advantage of maintaining access to your money.

Spreading the maturities from one to five years is just one strategy. If you prefer to tie up your money for shorter time spans, you could invest in two-, six-, 12-, 18-, and 24-month certificates.

You can ladder any way you wish to best meet your financial needs. For more information or to start your certificate ladder, call and ask to speak to one of our new account representatives or stop by the office.

Official Notice of the 65th Annual Meeting of the United Community Credit Union

Saturday, March 1, 2008
at the Canadian Club
Route 14
Barre, Vermont

SCHEDULE

5:30 - 6:30	<i>Social Hour</i>
6:30 - 7:30	<i>Dinner: Roast Turkey</i>
7:30 - 8:30	<i>Business Meeting (see below)</i>
8:30 - Close	<i>Entertainment: Music & Dancing</i>

BUSINESS MEETING includes Acceptance of Reports, Election of Officers,
Proposed By-Law Changes, and any other business.
Doorprizes will be presented after the Business Meeting

Tickets: \$10.00

Tickets must be purchased by February 27, 2008, through the Credit Union Office.
Stop by 560 S. Barre Road, or call 479-2836, and we can deduct the amount from your
share account for the reservation.

No refunds can be extended after February 23.
There are a limited number of tickets, so please reserve early!