



# Borrowing From Your Credit Union Still A Great Deal

UCCU continues to offer low financing rates and flexible terms to help you with all your borrowing needs. Our only purpose is to look out for your best interests by securing the lowest financing cost possible. In doing so we can often provide you with helpful vehicle pricing information so you are an informed buyer. Consider the benefits of borrowing from your credit union:

- **Great Rates:** Although recent dealer incentives have seen rates go as low as 0% APR, many buyers don't qualify or the terms are not long enough. At UCCU we have low rates all the time and we would be happy to provide you with a payment plan that meets your needs.
- **Friendly, Personal Service:** We have service specialists happy to set you up today with the right financing plan for you. We will work closely with you both before and after the loan is closed to remedy any problems that may occur.
- **Local Decisions:** We review loans in-house so that decisions are quick and take into account many factors not always considered by auto-scoring lenders. We will work hard to help you get the financing you need.
- **Convenient Applications:** You can apply in person, by phone or online at [www.unitedccu.org](http://www.unitedccu.org).
- **Loans for all Purposes:** We offer loans for all of your financing needs:
  - Cars and Trucks
  - VISA Credit Card
  - Personal
  - Home Equity
  - Boats, RVs, Motorcycles, ATVs, Snowmobiles
- We also offer valuable products that can be purchased at time of financing:
  - Credit insurance to protect you in the event of disability or death
  - Extended Warranties to cover the costly repairs on your vehicle
  - GAP insurance to protect you from financial loss in the event your vehicle is totaled

If you need financing options, look to United Community Credit Union. We are here to help you make the smart choice. Call or stop by today!

## What's Behind Credit Union Rate Decisions

Your credit union exists to serve member-owners like you. That's why our rates and fees tend to be better than those at for-profit financial institutions. One recent study showed that the average credit union member saves about \$300 a year by using credit unions rather than commercial banks.

We take many things into account when setting rates and fees.

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## CEO MESSAGE

By Timothy W Golden, CCUE

I am happy to report that UCCU has just completed another exceptional year. Credit union assets grew 20% in 2001 and it would not have been possible without the continued support of our 5,300 members. UCCU is now the 7<sup>th</sup> largest credit union in Vermont. We will strive to sustain our strong financial position as we go forward so we can continue to deliver first-class products and services.

As everyone knows we have entered a period of historically low interest rates. As always this can be a double-edged sword. On one hand, our borrowers are benefiting greatly with low cost loans. On the other, it is increasingly more difficult to offer attractive investment options to our depositors. Simply keep in mind that these economic trends are cyclical and you may well see interest rates begin to rise in the coming months. Remember also that because your funds at UCCU are insured up to \$100,000 you can take great comfort in knowing that your deposits are safe.

UCCU's 59<sup>th</sup> Annual Meeting is scheduled for March 2<sup>nd</sup>. Mark your calendar and check out all the details on page 4 of this newsletter. Tickets are limited and often sell quickly, so reserve early.

Finally, I'd like to wish everyone a safe, healthy and prosperous New Year and look forward to your continued support throughout 2002.

**Check Out Our Website:**

[www.unitedccu.org](http://www.unitedccu.org)

## Are You A Winner?

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

#581 #4857 #7005  
#8890 #10452 #91444

## 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

### UCCU STAFF

#### **CHIEF EXECUTIVE OFFICER**

Timothy Golden, CCUE

#### **CONSUMER LOAN OFFICERS**

Stephanie Boucher

Lorie Heath

Victoria Jewett

#### **MEMBER SERVICE**

#### **REPRESENTATIVES**

JoAnne Boutin

Cynthia Bresett

Deborah Brothers

Tanya Bryan

Kimberly Sumner

#### **BOARD OF DIRECTORS**

#### **PRESIDENT**

Daniel Lambert

#### **VICE PRESIDENT**

Donald Denko

#### **TREASURER**

Lorraine Bishop

#### **SECRETARY**

Dorothy Gavin

#### **DIRECTORS**

Monique Cartier

John McKinley

Patrick Timothy Mullikin

#### **CREDIT COMMITTEE**

#### **CHAIRMAN**

C. Martin Prevost, Sr.

Gregory Bergeron

Donald Jewett

#### **SUPERVISORY COMMITTEE**

#### **CHAIRMAN**

Julianne Monty

Michael Beaudin

Barbara Menard

# IRA Changes Help You Save More

Now, thanks to the biggest tax cut in 20 years, retirements plans are more powerful. You're eligible to contribute more to individual retirement accounts (IRAs) than ever before. IRA funds you have at UCCU are separately insured from your other accounts up to \$100,000. What are the new features of IRA accounts?

The major changes center around the new IRA contribution limits. Beginning in 2002, contribution limits go from \$2,000 a year to \$3,000. The limits go up to \$4,000 in 2005, \$5,000 in 2008 and will be adjusted annually for inflation in increments of \$500 starting in 2008.

Those age 50 and over have a catch-up deal; they can contribute an extra \$500 a year beginning in 2002 and an extra \$1,000 a year starting in 2006.

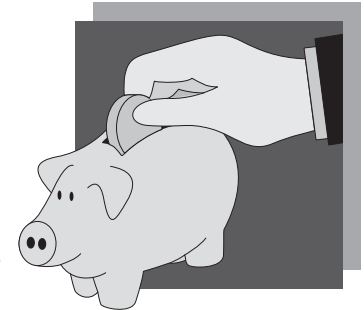
There are (3) types of IRAs, one of which is really an education savings plan.

**TRADITIONAL IRAs:** Offers tax-deferred earnings and possibly tax-deductible contributions if you meet the requirements. If you and/or your spouse actively participate in an employer-sponsored retirement plan, you can deduct contributions only if your income is below certain limits. If you're not participating in a retirement plan, your traditional IRA contribution is deductible regardless of income. When you withdraw from a traditional IRA, your withdrawal will be treated as taxable income. Generally, you must pay a 10% penalty if you withdraw before age 59 1/2. You must begin taking required minimum distributions at age 70 1/2.

**ROTH IRAs:** Contributions are not tax-deductible, however, you can withdraw contributions and earnings from a Roth IRA tax-free. You can withdraw funds tax-free before retirement under certain conditions: if your funds have been in your account at least five years, you're older than age 59 1/2, you buy a first-time home, or if you become disabled or die. You're not required to start taking minimum distributions when you reach age 70 1/2 as with a traditional IRA. You can let your money continue to grow tax-free for as long as you like.

**EDUCATION IRAs:** Now known as Coverdell Education Savings Accounts, they have the sole purpose of helping to pay the higher-education expenses of the child named on the account. Starting in 2002, the annual contribution limit increases from \$500 to \$2,000. There are no deductions, but the money grows tax-deferred, and earnings are tax free if used for qualified education costs. Effective for 2002 contributions, the deadline will extend so you can make contributions for a tax year until April 15.

Take advantage of the tax benefits of Individual Retirement Accounts and start one now. Remember, you can contribute to a Traditional or Roth IRA until April 15<sup>th</sup> and still have it count towards the 2001 tax year. Call 479-2836 or stop by the office to learn more about the benefits of IRAs.



## NEW OFFICE HOURS

Effective January 2<sup>nd</sup> our office hours are as follows:

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

## UCCU RATEBOARD (as of January 1, 2002)

### DIVIDEND RATES

<u>DIVIDEND RATES</u>	<u>APY</u>
Regular Shares	2.02%
Share Drafts	0.75%
Multi-Purpose Club	2.02%
IRAs	4.07%
Hi-Yield	
\$500-\$9,999	2.17%
\$10,000-\$49,999	2.43%
\$50,000 and above	2.68%
Term Certificates	
6 Months	2.80%
12 Months	3.00%
18 Months	3.15%
24 Months	3.30%

### **LOAN RATES**

**Secured:** includes Cars, Trucks, Campers, RVs, Motorcycles, ATVs & Boats

<u>Term</u>	<u>Rate*</u>
24 Months	5.50%
36 Months	5.75%
48 Months	6.00%
60 Months	6.50%
72 Months	7.00%

Add 1.00% for Payment Shaver Loans  
 Add 1.00% for 1995 to 1998 model years  
 Add 1.50% for 1994 and older model years  
 Add 2.00% for non-titled vehicles  
 Add 2.00% for vehicles over 100,000 miles  
 Add 3.00% for equipment loans  
 Add 0.50% without Auto-Pay

### **Unsecured:**

36 Months	12.00%
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\* Rates are determined by an evaluation of your credit. Your rate may vary from the rate shown

### **Other:**

Home Equity Line-of-Credit	6.25%
(Over 80% LTV)	7.25%
Home Equity Fixed	
60 Months	7.50%
120 Months	8.50%
180 Months	9.50%
Overdraft Line-of-Credit	16.90%
VISA Credit Card	11.90%
Share Secured	4.00%
Hi-Yield Secured	5.00%

All Rates Are Subject To Change  
 (for our current rates, visit our web site at [www.unitedccu.org](http://www.unitedccu.org))

### **Rate Decisions**

Continued from page 1

First, the credit union must earn enough money to pay its employees, utility bills, rent, data processing, and other expenses. Then, the credit union must build and maintain a financial cushion.

Some credit unions reduce loan rates to borrowers using payroll deduction for loan payments, or offer low-cost checking for direct deposit of payroll checks. Both reduce operating costs by reducing the need for manual processing of deposits and loan payments. Or, a credit union may impose fees to reduce undesirable behavior by, say, assessing fees on bounced checks.

Of course, any business has to keep an eye on the competition. At minimum, your credit union tries to offer rates that are attractive relative to local competitors.

When pricing products and services, we also must gauge how decisions will influence the credit union's risk profile. And, economic conditions heavily influence rates on loans and savings accounts.

Your credit union's pricing decisions can be complicated. In the end, the credit union difference — member-ownership with a democratically elected volunteer board — helps ensure that members get a fair deal.

### **Attention: VISA Cardholders**

You can now log on to [www.ezcardinfo.com](http://www.ezcardinfo.com) and view current and historical statements. In addition you can download the statement information for data analysis into a financial software package, such as Quicken or Money. You can even make your credit card payment online. There's no need to write checks and you can check online to make sure the payments are posted. You can even set up e-mail notification to alert you to a number of events including credit limit exceeded, new statement available, balance within X dollars of credit limit and much more.

*EZCardinfo* is easy to access. Log on to the address above and you can sign up online. This service is free for VISA cardholders at United Community Credit Union.

# Official Notice of the 59th Annual Meeting of the United Community Credit Union

Saturday, March 2, 2002  
at the Canadian Club  
Route 14  
Barre, Vermont

## SCHEDULE

5:30 - 6:30	<i>Social Hour</i>
6:30 - 7:30	<i>Dinner:</i> <i>Baked Stuffed Chicken Breast</i>
7:45 - 8:45	<i>Business Meeting (see below)</i>
9:00 - Close	<i>Entertainment:</i> <i>Music &amp; Dancing</i>

BUSINESS MEETING includes Acceptance of Reports, Election of Officers, Authorization to Borrow up to the legal limits, Proposed By-Law Changes, and any other business. Doorprizes will be presented during the Business Meeting

## Tickets: \$8.00

Tickets must be purchased by February 27, 2002, 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 22  
There are a limited number of tickets, so please reserve early!