



United Community Credit Union

# Members' Quarterly

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

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## Take Advantage of our Spring Loan Specials

### HOME EQUITY LOANS

Your home is a valuable asset. In addition to serving as a shelter for your family, it can actually help you pay for some of your biggest dreams. A Home Equity Loan lets you convert your available equity into cash. The interest you pay may even be tax deductible! Depending on your situation, this may provide enough money for a new kitchen, home repairs, college tuition, vacation or a major purchase.

How do you figure the equity in your home? Let's say your home is worth \$250,000 and you have a mortgage of \$125,000. UCCU will finance up to 80% of your home's value.  $80\% \text{ of } \$250,000 = \$200,000$ . Then subtract the \$125,000 mortgage balance and that leaves you \$75,000 available equity that you can borrow up to.

Our experienced loan officers have the background necessary to help you make an informed decision. We have loans that have many advantages to help you save money. Now for a limited time, we are offering the following Home Equity specials:

#### **Home Equity Loans**

- 5.25% up to 60 months
- 5.95% up to 120 months
- 6.95% up to 180 months
- No closing costs, points, or application fees on advances of at least \$10,000

#### **Home Equity Line of Credit**

- Flexible borrowing power – you pay only the amount you borrow
- Low variable rates (prime minus 0.50%) 5.50% as of March 12, 2008
- No closing costs, points, or application fees on advances of at least \$10,000

### VEHICLE LOANS

UCCU is offering special rates on new vehicles to qualified borrowers for a limited time. Now is a great time to see us for your purchases on all NEW Autos, Trucks, Boats, Motorcycles, Snowmobiles and RV's when paid with Auto-Pay/Direct Deposit.

- 4.25% up to 36 months
- 4.75% up to 48 months
- 5.25% up to 60 months
- 5.75% up to 72 months

Be sure to take advantage of these great financing opportunities and call or stop by today.

### **UCCU's 65th Annual Meeting**

UCCU held its 65th Annual Meeting on Saturday, March 1st at the Canadian Club in Barre. 281 members and guests turned out for this year's meeting that included a fine roast turkey dinner prior to the Business Meeting.

President Dorothy J Gavin presided over this year's meeting. Elected to the Board of Directors for 3-year terms were Mario D. Lorenzini, Donald R. Denko and William John Mitchell II. Elected for a 3-year term on the Credit Committee was Gregory R Bergeron.

Following the business meeting door prizes were awarded. This year's grand prize winner was Julie Austin who won a 20" HD TV.

At an organizational meeting held March 10th, Daniel L. Lambert was elected President, Russell J. Slora, Vice-President, Donald R. Denko, Treasurer and William John Mitchell II, Secretary. Donald J. Murray was also appointed to a 3-year term on the Supervisory Committee.

### **2007 SCHOLASHIP APPLICATIONS**

Again this year, UCCU is awarding \$500 Scholarships to (2) college-bound seniors from area schools who are themselves members, or whose parent is a member. Applicants will be judged on their academics and accomplishments in high school. Interested individuals may request an application from the Credit Union office or by e-mailing us at [info@unitedccu.org](mailto:info@unitedccu.org). Deadline for submission of your application is May 23, 2008.

**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.

#1252 #5401 #8461

#11446 #14453 #91148

## Office Closings

May 26 Memorial Day

July 4 Independence Day



### Members' Quarterly

is published each quarter by the United Community Credit Union

### BOARD OF DIRECTORS

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

### 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

### OPERATIONS SPECIALIST

Cynthia Bresett

# Can You Count on Social Security?

In many people's minds, a cloud of uncertainty hovers over Social Security. But the situation isn't as dire as some may fear, experts say.

Funds will not run dry. Workers and employers will continue to pay in, so money will be there to pay benefits. But eventually we'll see a shortfall that will provide only a portion of scheduled benefits.

The reason for the shortfall is shifting demographics. Baby boomers are moving into retirement, the average lifespan is expanding, and low birth rates mean the number of younger workers who pay into Social Security will continue to decrease. Consider that in 1950, there were 16.5 workers for each Social Security beneficiary. Today that ratio is 3.3 to 1, and in 40 years it will be 2 to 1.

Discussions about what lies ahead for Social Security invariably focus on two dates: 2017 and 2041. In 2017, benefit payments will begin to exceed Social Security tax revenues, according to projections by the Social Security Board of Trustees in its 2007 annual report.

Thus, in 2017, benefit payments will have to start coming out of the Social Security Trust Fund, a reserve that exists now because more money has been coming in than going out.

But in 2041, those reserves will be exhausted, trustees predict. Then the Social Security tax revenues coming in will be enough to pay 75% of promised benefits. After that, the benefit level gradually will fall to 70% by 2081.

That's if the government does nothing. Experts agree that relatively modest changes now could ensure Social Security's solvency for decades. The longer we wait, the more drastic the changes will have to be.

Projections about Social Security's future are just that, projections, not certainties. Many factors will affect how much your benefits will be when you reach 70 or 80 or 90. Your best bet is to save on your own to complement whatever the government will give you.

United Community Credit Union can help you plan now for your retirement needs. Our Traditional and Roth IRA's might be a great idea if you need to boost your retirement savings. Visit us today to discuss how you can start a retirement savings at UCCU.

## OFFICE HOURS

	<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 April 1, 2008)

DIVIDEND RATES	APY
Regular Shares	1.26%
Share Drafts (checking)	0.25%
Multi-Purpose Club	1.26%
Christmas Clubs	1.25%
IRAs	4.07%
Hi-Yield	
\$500-\$9,999	1.75%
\$10,000-\$24,999	2.25%
\$25,000-\$49,999	2.75%
\$50,000 and above	3.25%
Term Certificates	
6 Months	3.25%
12 Months	3.75%
24 Months	3.85%
36 Months	3.90%
48 Months	3.95%
60 Months	4.00%

### LOAN RATES

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

TERM*	RATE*
24 Months	4.50%
36 Months	5.00%
48 Months	5.50%
60 Months	6.00%
72 Months	6.50%

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 and LTVs.

Other:

Home Equity Line-of-Credit	Prime - 0.50%
(Over 80% LTV)	Prime + 0.50%
Home Equity Fixed	
60 Months	5.25%
120 Months	5.95%
180 Months	6.95%
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](http://www.unitedccu.org))

### Savings Create a Financial Safety Net

While advisers agree it's critical to save for emergencies, opinions vary on where to build those funds. Each option has trade-offs.

A regular savings account provides liquidity, or ready access to your money, and your funds are insured. But earnings are low in today's rate environment – currently 1.26% APY at UCCU.

A money market account, which allows a limited number of withdrawals, may be a better choice. Most people are less likely to dip into it unnecessarily, and it pays higher interest than a savings account. A UCCU Hi-Yield Savings account pays tiered rates currently starting at 1.75% up to 3.25% APY.

You also could stash emergency funds in certificates, even though these are less liquid. Short-term certificates (say, six months) won't tie up your money for long and may earn a little higher interest than regular savings or money market accounts. Longer-term certificates bring a greater risk if you'll need the money before the certificate matures, and thus face interest penalties for early withdrawal.

Yet another approach to building emergency reserves comes from Paul Sutherland, a certified financial planner in Traverse City, Mich. Too many people, he contends, believe they have to build a liquid savings account before they can start funding their 401(k) and IRAs. But they repeatedly deplete that savings account for non-emergencies such as new furniture, a new car, and so on.

You'll have to decide which strategy, or blend of strategies, for building emergency reserves would work best for you. Whichever you choose, the main issue is to have a financial plan, so that if you lose your job or have a medical emergency, you'll be okay. Be sure to use Direct Deposit to earmark a steady amount to savings out of every paycheck. We can help you set this up. Call today to discuss how UCCU can help you meet your savings goals.

# Take the Direct Deposit Quick Quiz

With the number of identity theft cases on the rise, savvy consumers sign up for direct deposit. Why? It's the safest, most reliable and convenient way to deposit your paycheck and, when you retire, Social Security and other federal benefits.

How much do you know about direct deposit? Test your knowledge based on results of a recent survey by the U.S. Department of Treasury and Federal Reserve Banks.

1. What percentage of baby boomers say they receive their wages, salary, or other regular payments by paper checks?

a) 25% b) 35% c) 45% d) 55%

2. What percentage of consumers have had a check, important document, or large sum of cash lost or stolen?

a) 17% b) 21% c) 26% d) 31%

3. Consumers who use direct deposit to set aside money end up socking away how much more per month than those who use another method?

a) \$35 more per month b) \$50 more per month c) \$65 more per month d) \$90 more per month

4. What percentage of Americans say they've been the victim of identity theft, or know someone who has been a victim?

a) One out of 10 b) Two out of 10 c) Three out of 10 d) Four out of 10

## Answers

1. 25%. The Treasury Department's "Go Direct" campaign hopes to increase the number of people using direct deposit, because it's safer, faster, and easier for consumers than paper checks.

2. 31%. Of this group, nearly one out of five said a family member or member of the household had stolen the cash, check, or document.

3. \$90 more per month. A 2007 study conducted by NACHA--the Electronic Payments Association--revealed that switching to direct deposit helps boost savings balances.

4. Four out of 10. People often leave themselves open to financial crimes--even in their own households--by receiving paper payroll checks, rather than using direct deposit.

To sign up for direct deposit at United Community Credit Union, visit us today.

## Home Ownership is Best Route to Build Wealth

What's the best way to build wealth over time? For starters, own a home. Here's why.

Let's say you bought a house in 2006 for \$100,000 with no money down. Over the next 10 years, your payments will reduce your outstanding balance by \$20,000, but the home may increase in value to \$150,000. The value of your home as a net asset will grow to \$70,000 (\$150,000 minus \$80,000).

Here's the kicker: If you'd have rented during that same 10-year period, you'd have missed out on \$70,000 in wealth.

There are two aspects of home ownership that help you build wealth: increase in equity, and appreciation in home value. Keep in mind that there will be some years when your home may decrease slightly based on market prices, but over the long haul, real estate generally has increased in value.

Although home ownership is the best way to build wealth, make sure you have other wealth-building tools in place: written goals, a spending plan, an emergency fund, and debt-reduction strategies. And if you don't own a home now, start thinking about how to shore up your finances and save for a down payment.

Finally, pay yourself first with direct deposit, payroll deduction, and appropriate savings and investment vehicles for overall financial health and well-being. Our Mortgage Specialists can assist you in the requirements necessary to become a home owner. Mortgage rates are attractive right now, so don't delay, stop by or call today.