

## From the President:

April is designated as Financial Literacy Month, and KFCU will be joining credit unions throughout the nation in recognizing financial literacy by celebrating National Credit Union Youth Month. Join in the fun by encouraging the youths you know to learn about financial responsibility and to “Give a Hoot About Saving” by joining the National Savings Challenge. You can find more details and rules of the Challenge at [www.katahdinfcu.org](http://www.katahdinfcu.org), the Youth Savings Challenge link.

We will also be participating in the Northern Penobscot Chapter of Credit Unions Financial Fitness Fair for area high school students.

At KFCU, we realize that financial literacy and education is more than a month-long effort; it is a life-long adventure. We have educational resources available on our website – Googolplex, Home and Family Finance Resource Center, and Foolproof. The staff also provides financial education to area schools and organizations. If you would like to learn more about the many financial education tools we have access to, please give us a call – we love to share this information, and would be more than happy to help you.

Enjoy your spring – hope to see many of you at our annual meeting on May 12, 2017!

Tina Jamo, CEO

## Annual Meeting Notice

Mark your calendar for May 12, 2017, for Katahdin Federal’s 63rd Annual Meeting. This year’s meeting will be held at Christ the Divine Mercy Parish, St. Martin of Tours Parish Center in Millinocket, beginning at 6 p.m. with a light buffet served by the Daughters of Isabella. A business meeting will immediately follow.

The Nominating Committee reviewed the qualifications and biographical information of the names submitted for seats on Katahdin FCU’s Board of Directors. The Nominating Committee has nominated the following candidates to serve three-year terms commencing immediately following the 2017 Annual Meeting:

**Herbert Clark, Millinocket, ME (incumbent)**

**Theresa Coffin, Millinocket, ME (incumbent)**

**Joe Clark, Millinocket, ME (incumbent)**

Biographical information on each of the candidates is posted in the Credit Union lobby. No other candidates have been nominated by petition.

## Teach Your Little Owls to Fly With Money Talks

The first step to teaching your kids about money is talking about money. “The most effective way to teach is by having frequent discussions, and don’t ever lecture,” said Ted Beck, president and chief executive of the National Endowment for Financial Education, in a recent Wall Street Journal article. “Look for teachable moments, and always be willing to answer questions.”



**Unfortunately, this can also be the hardest.**

A 2015 T. Rowe Price survey found that 72% of parents experienced at least some reluctance to talk to their kids about financial matters, and 18% were either very or extremely reluctant. The most common reasons given were that parents didn’t want children to worry about financial matters, or thought they were too young to understand.

But on his blog, personal-finance guru and radio host Dave Ramsey encourages parents to be more open with their kids about money, even their failures. Parents’ biggest regrets are often not saving enough or going into too much debt, wrote Ramsey. Being honest about that in an age-appropriate way, he stated, can be a powerful lesson.

### So how to start the talk?

- Ask questions. If you’re going out to eat, talk about the price difference between the options, and ask them which they would choose. If they select the more expensive, talk through what you might have to give up later in the week.
- Make them part of your budgeting. If you’re doing any kind of financial planning for the year, solicit input from your kids. Enlist them in your saving goals – no one watches you more closely than your kids, so they’re natural accountability partners! If you’re uncomfortable revealing too much of your financial picture, you can keep the discussions high level, but involving them makes money less abstract.
- Open a youth savings account at Katahdin Federal Credit Union. This is the best way to help them learn to save for what they find meaningful in life. A lifetime of good savings habits can start now!

## The Bottom Line

Tax season can bring new possibilities – especially when it comes to what to do with your refund or, on the flip side, how to settle your bill. We've gathered some ideas that may fit into your financial landscape.

### TENDING TO YOUR WINDFALL

So you worked diligently with your tax preparer to complete your return, only to discover some of the fruits of last year's labor will be coming back in the form of a refund. So, what can you do with your bounty? Here are some possibilities:

**Start fresh** – Strengthen your finances by paying down credit card or other non-tax advantaged debt.

**Cultivate** – Make some improvements to make your home more valuable, comfortable or energy efficient – or get ahead on the kids' tuition.

**Nourish** – Invest in yourself (a new gym membership or art classes) or someone else (donate to a charity, or sponsor a family or individual in need).

**Replant** – Use that money to kick-start this year's contributions to your retirement account or bolster your emergency fund.

**Plan** – Some say a refund is just a loan you give the government interest-free. Should you reconsider your withholdings so that you come out even next year?

### IF YOU OWE

If you end up owing taxes this year, you'll need to decide how to pay. However, before you write that check or cash in some of your invested assets, consider how those actions may impact you immediately and over the long run.

For instance, liquidating assets in your investment portfolio to pay your taxes may generate new tax consequences. Such an action would also likely impact your long-term investment strategy. And emptying your savings account may leave you vulnerable should another unplanned need for cash arise.

Instead of using the assets working toward your long-term goals, consider liquidity and borrowing options based on the value of your assets, or that offer rewards like cash back or redeemable points.

That way, you can access the cash you need to pay your tax bill while keeping your assets where they belong – invested.

Next, consider these tips for reducing your future tax bill:

**Maximize contributions** – Take advantage of tax breaks in your retirement accounts and make catch-up contributions once you turn 50.

**Harvest losses** – Consider balancing your realized capital gains by selling securities for a loss and reducing your tax liability.

**Seek advice** – It's never too early to discuss tax planning with your financial advisor and your tax professional.

### LET THE SUNSHINE IN

Spring is a time of renewal, so use your tax refund wisely. If you owe taxes, consider your long-term investment plan and borrowing options available to you before uprooting your hard-working invested assets.

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Single Source Financial Centre and Katahdin Federal Credit Union are independent of RJFS. Securities offered through Raymond James Financial Services, Inc. Member FINRA/SIPC are not deposits; not insured by NCUA or any other government agency; not guaranteed by the Katahdin Federal Credit Union; and subject to risk and may lose value.

## Help Reduce Fraud and Monitor your Spending Anytime, Anywhere with Alerts from Katahdin Federal Credit Union Powered by Visa

With near real-time Alerts powered by Visa, you can receive updates on your Visa® card activity. This unique service is available free for KFCU Visa cardholders.

After your Visa card has been used, you'll receive an alert through email. If there is fraudulent activity, you can find out within minutes and act quickly to resolve the situation.

How you use the service is up to you. You can choose to receive alerts when your Visa card is used for purchases over a specified amount, online transactions, purchases outside the United States, and more. You can even customize the purchase amount threshold – for example, setting it to only receive alerts for purchases above \$50.



Each alert contains important information, including the purchase amount, merchant name and location (if available), and the last four digits of the Visa card used to keep you best informed.

All this is for free for KFCU Visa cardholders. Sign up for Alerts from KFCU at [www.katahdinfcu.org/home/convenience/visapurchasealerts](http://www.katahdinfcu.org/home/convenience/visapurchasealerts).

Disclosure: Actual time to receive Alerts powered by Visa dependent on wireless service and coverage within area. Alerts service may not be available in all areas. Gasoline alerts may not include purchase amount. Account activity qualifying for Alert service may vary by issuer. Additional restrictions apply.

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**Going on spring break... Take your KFCU Visa® Credit Card with you!**



## Insurance Corner

Considerations when your teenager is in the process of getting his/her license:

Once young drivers are licensed, they need to be added to their parents' auto policies or their own policies. It is a good idea to check ahead with your insurance agent prior to licensing to see what costs you will incur with a newly licensed driver. Ask about discounts for good grades: many insurance companies offer substantial discounts for a "B" average or better. Think about purchasing a "clunker" that you only need to carry liability insurance on rather than making the teen an occasional driver on the family car. You may find that it is less expensive on your insurance to have a safe but inexpensive vehicle for your teen rather than having him or her operate your expensive vehicle that requires full coverage. Think about increasing your liability limits on your automobile policy.

In the event that a teen driver is involved in an accident, most lawsuits will not seek damages from the teen; they will go after the parents. It isn't worth risking your financial future. You can reduce your financial risk by increasing your liability insurance limits.

Please give our office a call if you would like advice or quotations for adding teenage drivers to your policy. If you do not have insurance with our agency, we would be glad to give you free, no-obligation advice and quotes. This type of change in life situation is a great time to shop for insurance. We represent many companies, and can shop your insurance for you all under one roof with many of the finest insurance companies in Maine. Just give us a call or stop by one of our convenient local locations!

Katahdin Gateway



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## Privacy Notice

Federal law requires us to tell you how we collect, share, and protect your personal information. Our Privacy Policy has not changed. You may review our policy and practices with respect to your personal information at [www.katahdinfcu.org](http://www.katahdinfcu.org) (privacy notice link) or we will mail you a free copy upon request if you call us at 800-451-9145.

## It's Easy to Pay at a Chip-Enabled Terminal:



1. Insert the chip end of the card into the chip-enabled terminal with the chip facing up.
2. Keep the card in the terminal throughout the transaction and follow the prompts on screen. (If you remove your card too soon, your purchase will be canceled.)
3. Remove your card when prompted and take your receipt.

Keep in mind, you may need to sign for your purchase.

If a merchant is not yet chip-enabled, you can still swipe your card to pay.

Learn more about chip technology for your Visa® Credit Card by talking to a credit union employee.



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

   
Federally Insured by NCUA

\*Annual Percentage Rate. This special is for a limited time only for qualified members of KFCU. Restrictions may apply. Monthly payment on \$1000 financed for 18 months is \$58.24. Membership eligibility required.

**Boating season is almost here... Finance your new boat at KFCU!**

## Services

### Savings

Share Accounts  
Club Accounts  
Share Drafts  
Share Certificates  
IRA Accounts  
Roth IRA Accounts  
Coverdell Education Savings Acct.  
IRA Certificates  
Roth IRA Certificates  
Money Trek<sup>SM</sup> Youth Savings Program  
Health Savings Accounts

### Loans

New & Used Auto & RV Loans  
Cottage Loans (including on leased land)  
Land Loans  
Computer Loans  
Real Estate  
Home Equity Loans and Lines of Credit  
Share Secured-Certificate Secured Streamline (Line of Credit)  
Unsecured Loans  
Visa<sup>®</sup> Classic<sup>®</sup> Cards  
Visa<sup>®</sup> Gold Cards

### Other Services

CU24<sup>SM</sup> Visa<sup>®</sup> Check Card  
Direct Deposit/Payroll Deduction  
Money Orders  
Wire Transfers  
Night Deposit  
Safe Deposit Boxes  
24-Hour ATM  
Notary Services  
CUSO-Single Source Financial Centre  
CUSO-Katahdin Gateway Insurance LLC  
Visa<sup>®</sup> Prepaid Gift Cards  
Katahdin Connection  
Home Banking Solution  
Bill Pay  
Mobile Banking  
Remote Deposit Capture

## Locations

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## Hours

8:00 am – 5:00 pm Drive Up  
9:00 am – 5:00 pm Lobby



# Take Action to Protect Yourself: Tips from Senior\$afe

**1.** As a precaution, put all your phone numbers on the DO NOT CALL List. Call 1-888-382-1222 or visit [www.donotcall.gov](http://www.donotcall.gov). But don't expect all calls to stop, especially from determined scammers.

**2.** DO NOT accept calls from any person you do not know. Use caller ID, and don't answer the phone if you don't recognize the telephone number. Studies show that consumers who answer unsolicited telephone calls are much more likely to be scammed than those who do not answer.

**3.** If necessary, get an unlisted telephone number.

**4.** NEVER give out personal information to strangers in response to texts, emails, or calls regardless of who they claim to be or where they claim to be calling from.

**5.** NEVER wire money to strangers under any circumstances regardless of who they claim to be or how urgent the situation.

**6.** Review your financial account statements at least monthly and contact your financial institution, credit card issuer or other provider immediately if you see unauthorized charges or other issues.

**7.** Consider enlisting a trusted family member or reputable bill-paying service. Consult your local Area Agency on Aging for help with routine payments.

**8.** Monitor your credit report at least annually by visiting [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling 1-877-322-8228.

**9.** Use a document shredder for all discarded paperwork and credit card offers.

**10.** Remember, there's no such thing as a sure thing. It is illegal to participate in foreign lotteries.

You can't win a contest you didn't enter. That windfall you've been promised is a scam. Don't be a victim!

**11.** Use caution when utilizing joint accounts as a method of planning for incapacity or getting help with paying your bills. Both parties are equal owners and have equal access. Talk to your financial



institution, attorney or Area Agency on Aging to learn about all of your options for assistance with your finances.

**12.** Execute a power of attorney only if you can appoint an agent you trust completely and only after consultation with an attorney. Be aware of gifting clauses in power of attorney documents. You can and should limit the power you give your agent. Only grant authority that is absolutely necessary.

**13.** NEVER convey or quitclaim an interest in real estate without consulting an attorney.

*Senior\$afe is a project of Maine financial institutions in partnership with the Maine Department of Professional and Financial Regulation, Office of Aging and Disability Services – Adult Protective Services. If you have any questions or concerns, please contact Financial Services at KFCU.*

## Win \$50

What is one of the financial educational resources available at [www.katahdinfcu.org](http://www.katahdinfcu.org)?

If you know the answer, please fill out this coupon and submit your entry by May 15, 2017.

Congratulations to Spencer Spearin, the winner from last quarter. The question was, "What is remote deposit capture?" The answer was, "When you take a picture of the check and deposit it online."

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_ Answer: \_\_\_\_\_