

## From the President

On behalf of our staff and directors, I would like to wish each and every one of you a Happy New Year. Now that the holidays are over and the new year is underway, it is a good time to evaluate your current financial situation. If you charged holiday purchases using store charge cards or higher rate credit cards, you may want to switch to a lower interest rate alternative. You can do this by transferring these balances to the KFCU VISA card. If your limits are not sufficient to transfer the balances that you would like, please contact us. You can find more information at [www.katahdinfcu.org](http://www.katahdinfcu.org).

You probably noticed the child's mittens, hats and scarves hanging in the lobby. The credit union has partnered with the Brookfield US Foundation to provide "warmth for the Katahdin region." Brookfield will be supplying over 150 coats and at press time, the credit union employees and members are trying to match these jackets up with hats and mittens. Members have really embraced this project by donating homemade hats, mittens, scarves, and stockings. We certainly have a number of talented members! We will report more on this when the campaign ends. We would like to send out a huge thank you to those members for contributing to this cause and also, to those that donated toys to the Toys for Tots program.

Thank you for your membership and we look forward to serving you in the coming year. If you have any questions or concerns, please do not hesitate to contact me.

**Don Casko**  
President/CEO

## Christmas in Katahdin

This is the ninth year that the community has come together to kick off the holiday season with a regional Christmas party. Christmas in Katahdin is all about community – reaching far beyond our local area. This year's Community Christmas Party brought in over 416 registered children. It is estimated that approximately 1000 people



*Lisa Martin helping youngsters with the Christmas ornament*

attended this widely popular event. KFCU joined other businesses and organizations in sponsoring the party. Our employees joined in the fun by helping children bead candy cane ornaments for their own Christmas trees.

## An Exciting Change is coming to Your Checks! Introducing, CheckFolio™

You may notice that your next check order looks different when it arrives in your mailbox. We're excited to bring you CheckFolio, an innovative new way to receive, store and use personal checks. With CheckFolio, multiple checkbooks are neatly aligned in a compact folio for convenient use and storage. The result of extensive research and consumer feedback, CheckFolio is designed to help you:

- **Stay organized.** All components are packaged together neatly, ready to place in a drawer, filing cabinet or on a bookshelf so you can easily access them when you need to and store them when you don't.
- **Secure your identity.** CheckFolio arrives in a tamper-evident package and its unique design makes for discreet and flexible storage options — helping to protect the contents and your identity.
- **Protect the environment.** The compact and efficient design uses less material and creates less waste — plus, CheckFolio is recyclable.

*We know you'll love CheckFolio as much as we do!*



## Halloween Art Contest Winners

Congratulations to this year's Halloween Coloring Contest Winners: Hunter Higgins, Hannah Lynn Doiron, Amelia Morrison, Rhiannan Gardner, Annabelle Pelletier, Karsen Wheeler, Chase Tapley, Libby Anderson, Maggie Harthorne, Jordyn Gardner, Victoria Hawkins and Fiona Ammerman. We received some very creative pieces, making the judging most difficult. Congratulations to the winners!

## The Bottom Line

### Dip Early Into Social Security, Or Let It Mature?

You can tap into your Social Security benefits any time after you reach age 62 – some baby boomers began drawing checks in January this year. But should you?

If you take benefits early, you will receive less per month than if you had waited for full retirement age. (Visit [ssa.gov](http://ssa.gov) to find the age at which you are entitled to full benefits.) On the upside, you'll be receiving your funds earlier.

#### Weighing Your Choices

However, while it's perhaps not something you want to contemplate, taking a smaller benefit early can pay off if you don't live past your "break-even" age. That's the point at which the benefits you would have received at full retirement equal the total of your early retirement benefits.

If you are in poor health, you may well decide to retire and draw benefits at 62, but you should also realize that you may lose not only your paycheck, but also employer-provided health insurance. You're unlikely to be covered by Medicare until you're 65.

#### Working and Benefits

If you draw Social Security and continue working, your benefits may be reduced even further while you're under full retirement age. Once you earn over a certain amount – changeable from year to year – your "excess" earned income decreases your available benefits. You can recoup those lost benefits, however, after you stop working, when your benefits are recomputed and increased to offset what you lost while working. After you reach full retirement age, your benefits are not affected in any way.

If you are eligible for benefits as a spouse, and have not yet reached full retirement age, you can maximize your Social Security benefits by applying for survivor's benefits now and delaying taking your own retirement benefits.

You also may choose to delay tapping your Social Security benefits until after full retirement age – up to age 70 – if you have no pressing need for the funds. Conversely, some opt to take benefits early and invest the proceeds instead of spending them.

If you'd like to discuss your approach to claiming Social Security benefits, please don't hesitate to give me a call.

#### Wrong Ideas Confound Social Security Facts

Misleading ideas plague a correct understanding of various aspects of Social Security. Your benefit is actually based on your income over your 35 highest-paid working years, not your last five. And while 65 was the "normal" retirement age for those born in 1937 or earlier, it is creeping up toward 67, where it will remain for those born in 1960 or later.

#### Single Source



#### Financial Centre

#### Thomas W. Duff

Financial Advisor

Single Source Financial Centre

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207-723-5264 or 888-925-5264

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## Maine CUs' Ending Hunger Walking Tour

#### History:

Founded in 2002, the Maine CUs' Ending Hunger Walking Tour is a partnership between Maine's credit unions and Brenda Davis, Executive Director of Crossroads, a hunger organization serving eastern Maine and a leading hunger advocate in Maine, to raise awareness and funds for ending hunger in Maine.

#### 2011 Recap:

The 2011 Tour marked the 10th year that this has taken place. The record-setting journey covered the period from October 28 - November 30. The Walk began at Maine State CU in Augusta, and ended at Maine Savings FCU in Hampden. The 2011 Walk visited 75 communities, the most ever, and contributed to food pantries in each community.

Since it began, the Tour has covered more than 8,600 miles and is part of the Maine Credit Unions' Campaign for Ending Hunger, which has raised more than \$3.9 million to help end hunger in Maine! ([mainecul.org](http://mainecul.org))



*Molly Jamieson presenting checks to Brenda Davis of Crossroads Ministries and to Bess Cutcliffe, ICARE Ministries, during the Ending Hunger Walking Tour*

Going on vacation this winter? Remember to bring your KFCU Visa Card with you!

## Insurance Corner

**Happy New Year** from the staff at Katahdin Gateway Insurance LLC! As 2012 gets underway, do yourself a favor and take a few moments to ask yourself the following questions:

1. Have you upgraded your home's plumbing, heating, roof or electrical systems?
2. Have you added additional living space, perhaps increasing the value in your home?
3. Have you purchased or acquired expensive assets such as jewelry, artwork, etc.?
4. When was the last time you evaluated the cost replacement value of your home?
5. Have you evaluated all of your insurance needs lately?
6. When was the last time you spoke to a "live agent" about your insurance coverage?

Now may be the time to re-evaluate all of your insurance needs and current coverage levels. Let your insurance agent know when you make changes to your home, as it can affect pricing. Also, with the increased cost of building materials, it may be time to ask your insurance agent to complete an updated replacement cost estimator on your home. You may be surprised at what it would cost to replace the home versus the current market value. Please keep in mind that you want your home to be insured to replacement cost value to be sure you have adequate protection if you have a claim. We have a number of different insurance companies we represent and can tailor a competitive program to suit your current insurance needs. Please give us a call if you are interested in reviewing your insurance program, whether you are already our client or insured with another agency. We would be glad to provide you with a free insurance review at your convenience.

Katahdin Gateway



Insurance LLC

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## Toys for Tots is the recipient of KFCU Employee Charity funds

Every year Katahdin Federal employees work together to make the holiday season a little brighter for families in need. The staff raises funds all year long through bake sales, dress down days, May Basket sales, etc. We would like to thank our members for their generous support. Without your help, none of this would be possible. We would also like to thank Toys for Tots and all of the local organizations that bring hope to area families. We are fortunate to live in a community that cares.

This year KFCU employees were proud to present the Toys for Tots Committee with a check for \$1,000 to help out with their toy purchases.



*Robert Lakeman, Toys for Tots, with Molly Jamieson, Jennifer Nutting and Debbie Girsas, members of the Social Responsibility Committee (not present: Theresa Lane and Rachel Hale).*

## Katahdin Federal Credit Union 2012 Elections

The Annual meeting of Katahdin Federal Credit Union is scheduled to be held on May 11, 2012. The Board of Directors recently appointed the following directors to the Nominating Committee: Joe Clark, Chairman, Herbie Clark and Theresa Coffin. Members wishing to run for the Board of Directors should contact the Nominating Committee by February 11, 2012.

Members wishing to run after that date may be nominated by a petition of the membership. The petition must be signed by 1% of the members, up to maximum of 500 members. Each nominee by petition must submit a statement of qualifications and biographical data with his or her petition. To be effective, the petition must be accompanied by a signed certificate from the nominee or nominees stating they are agreeable to the nomination and will serve if elected. Nominations by petition must be filed with the Secretary of the Credit Union at least 40 days before the Annual Meeting. The Secretary will ensure that all candidates nominated by petition along with those of the Nominating Committee are posted in each Credit Union office at least 35 days prior to the Annual Meeting. If sufficient nominations are made by the nominating committee or by petition to provide at least as many nominees as positions to be filled, nominations may not be made at the Annual Meeting. If there are more nominees than positions to be filled, the membership will be provided ballots at the Annual Meeting at which time elections shall be conducted.

**Moving south for the winter? Remember to change your address with us first!**

## 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

### 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 Prepaid Gift Cards  
Katahdin Connection  
Home Banking Solution

### Locations

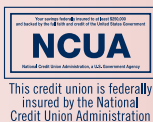
1000 Central Street  
Millinocket, ME 04462  
207-723-9718  
800-451-9145  
Fax 207-723-8426

Crystal Road  
PO Box 330  
Island Falls, ME 04747  
207-463-3661

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

### Hours

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



## Young & Free Maine Connects Mainers 25 and Under to Finances, Fun, and the Future

While Young & Free spokesperson Seth Poplaski has spent the last few months on the road connecting with Maine's 25 and under crowd throughout the state, there is one place he can always be found - [www.youngfreemaine.com](http://www.youngfreemaine.com)!

The website serves as the ultimate financial educational tool for 18-25 year-olds in Maine - or anyone interested in a fresh approach on everything from finances to food. At [www.youngfreemaine.com](http://www.youngfreemaine.com), you can read Seth's daily blogs that include money saving tips, conversations about money and living young and free in Maine. View his videos, the Living Young & Free Show, and listen to podcasts! You can also ask questions, make comments, get involved, and enter to win our monthly gift card drawings. The website is also a great place to find out about the Free4ME account! It's the Young & Free way to ensure that you, or your favorite 18 to 25 year old, get started on the right financial foot!

For more information on the Free4Me account, please contact a Financial Service Representative.



## Want to go surcharge-free in 2012? SURF into the New Year!

If you've used an ATM from another financial institution, you probably received a holiday gift you didn't ask for - climbing ATM fees! Luckily, for you and many other credit union members, Katahdin Federal CU is part of the SURF ATM Network. That means you have access to more surcharge-free ATMs across Maine than just about anyone. Credit union members can save an average of at least \$300 a year on surcharge fees when using the SURF network - one of the largest ATM networks in the state! In addition, a number of SURF ATM locations give thousands of Maine credit union members the ability to not only access cash but to also make deposits, surcharge-free.

Finding one of the over 200 surcharge-free ATMs in Maine is much easier than keeping your New Year's resolutions! An iPhone app allows you to find surcharge-free ATMs in Maine from your current location! Headed on vacation? Find out where to get surcharge-free cash wherever you are! The iPhone app is free, and lists all SURF ATMs, contact info, and mapping instructions. Visit the iTunes app store and download it today!

For a complete listing of the SURF ATM locations in Maine, visit [www.mainecreditunions.org](http://www.mainecreditunions.org) and click on "Find an ATM."

### Win \$50

### What is the "Surf network"?

If you know the answer, please fill out this coupon and submit your entry by February 15, 2012. A winner will be drawn at random.

Congratulations to Joyce Nyman, the winner from last quarter. The question was "What is the Smart Option Student Loan?" The answer is "Private Student Loan option."

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

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

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

\_\_\_\_\_

'Tis the season for snowmobile loans—give us a call!