

From The President

To highlight the importance of financial education, April has been designated as Financial Literacy Month. Katahdin Federal will be joining credit unions throughout the nation in recognizing Financial Literacy by celebrating National Credit Union Youth week from April 20-26. We will have financial resources and information available for youth, parents, and teachers. We will also be participating in the National Youth Savings Challenge, awarding door prizes and serving refreshments. For more information on National Youth Week or the Savings Challenge, please visit our website at www.katahdinfcu.org or give us a call.

On April 8, 2015, the Northern Penobscot Chapter of Credit Unions will sponsor a Financial Fitness Fair for area high school students. In 2004, Maine credit unions introduced this concept in youth financial education through Financial Fitness - A Money Management Experience. This half-day event targets high school juniors and seniors and is similar to the game of "LIFE," where participating students are given a career and monthly income and then have to visit booths associated with various expenses that the average adult is faced with each month. Costs, such as transportation, housing, clothing, food, student loans, insurance and several other everyday expenses, are filled in on a monthly budget form by each student. At the end of the event, the goal is for students to have a monthly budget that does not exceed monthly income. This eye-opening experience has received positive feedback from students and teachers.

We believe financial literacy is a year round effort and do have resources available on our website— Googolplex, Home and Family Finance Resource Center, and Foolproof. Googolplex includes three fun, youth-targeted websites that feature interactive games, videos and colorful stories dealing with money matters and life issues. The Home and Family Finance Resource Center is a one-stop microsite that simplifies members' financial decisions by jump-starting their research, making complicated topics easy to understand and suggesting manageable steps toward financial health. Foolproof Education is a highly interactive, self-grading group of online lessons called "Modules". The Modules teach consumers of all ages about money and financial responsibility. These modules are perfect for high school classrooms. We also have staff available to provide financial education to area schools.

If you would like to learn more about financial educational resources that we have available, please feel free to contact me. Have a great spring!

Tina Jamo
President/CEO

Annual Meeting Notice

Mark your calendar for May 8, 2015, for our 61st Annual Meeting of Katahdin FCU. This year's meeting will be held at Christ the Divine Mercy Parish, St. Martin of Tours Parish Center in Millinocket beginning at 6:00 p.m. with a light buffet served by the Daughters of Isabella. A business meeting will follow directly after.

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 2015 Annual Meeting:

- Rodney Daigle, Millinocket, ME (incumbent)
- Terrence Daigle, Millinocket, ME (incumbent)
- Dorothy Howard, Millinocket, ME (incumbent)

Biographical information on each of the candidates is posted in the credit union lobby. At press time, no other candidates have been nominated by petition.

Katahdin Area Relay for Life Sponsor

The American Cancer Society Relay for Life is the world's largest and most impactful fundraising event to end cancer. It unites communities across the globe to celebrate people who have battled cancer, remember loved ones lost, and take action to finish the fight once and for all. The Katahdin Area Relay will be held on June 20th from 3 p.m.-11 p.m at the Stearns High School Athletic complex. This event is being organized by Margo Stevens, Community Manager, and Tiffany Stanley, Event Lead. KFCU is a bronze sponsor of the Katahdin Area Relay and will have a team participating in the event. Also, this year's registration fee has been waived for those wanting to participate! If you would like to join our team or donate to this worthy cause log onto www.relayforlife.org and search for the Katahdin Federal Credit Union Team!



The Bottom Line

Do You Still Need Life Insurance?

Older people generally have a better understanding of life insurance than younger people. But even if you fully understand the costs and potential benefits of life insurance, you may wonder whether you still need it as you age and your children become self-supporting. Here are some ideas to consider.

Protection for Your Spouse

Even though your children may not need financial support, your spouse might depend on your income, especially if you are still working and/or have debts such as a mortgage, car payment, or student loan, which could be paid off with a life insurance benefit. Losing one spouse's Social Security benefit could also make it more difficult for the survivor, even with survivor benefits. Widows and widowers aged 55 and older are more likely to live in poverty than married people in the same age group.

Help for Your Heirs

Although fewer families face federal estate taxes because of the high exemption level (\$5.34 million in 2014), other end-of-life costs — medical expenses, legal costs associated with tying up financial affairs, and other final expenses — could be a burden for heirs. Unlike some assets, life insurance death benefits are typically paid relatively quickly, and an insurance death benefit is usually not subject to federal income tax.

A More Permanent Solution

Term insurance is generally the most affordable type of life insurance, but premiums can become more expensive with age, and a term policy provides coverage only for a specified period of time. If you have a term policy that is scheduled to expire, you might be able to extend coverage at a higher premium or convert it to a permanent life policy if that option is available. Another option is to purchase a new permanent life insurance policy.

Permanent life insurance offers a guaranteed death benefit and lifetime protection as long as you pay the premiums. Even though the cost of permanent insurance is usually higher than for term insurance, premiums typically remain level over your lifetime, and a portion of the insurance premium goes into a cash-value account that accumulates on a tax-deferred basis throughout the

life of the policy. Not only could this increase the death benefit but you may be able to borrow against the cash value during your lifetime.

Withdrawals of the accumulated cash value, up to the amount of the premiums paid, are not subject to income tax. Loans are also free of income tax as long as they are repaid. However, loans and withdrawals will reduce the policy's cash value and death benefit. Any guarantees are contingent on the claims-paying ability of the issuing insurance company.

The cost and availability of life insurance depend on factors such as age, health, and the type and amount of insurance purchased. Before implementing a strategy involving life insurance, it would be prudent to make sure you are insurable. In addition to the life insurance premiums, other costs include mortality and expense charges. If a policy is surrendered prematurely, there may be surrender charges and income tax implications.

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As a credit union member you're eligible for an initial complimentary consultation to discuss these or any other investment related concerns you have. Give me a call to schedule an appointment at 723-5264.

Single Source



Financial Centre

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An Independent Broker/Dealer.

Single Source Financial Centre and Katahdin Federal Credit Union are independent of RJFS

Notice to Single Source Clients:

Please be aware that Single Source Financial Centre office will be closed during the week of April 20th in order for the staff to attend the Raymond James National Conference. Calls will be forwarded to Duff and Associates in Brewer, or clients may call directly at 207-989-6082 or 800-286-6092

Take a Walk on the Wild Side

This April, youth can take a walk on the wild side at the credit union. Whether they've been to the jungle or not, the call of the wild is enticing to youth of all ages. This year, they can check out the credit union's financial menagerie during credit union week.

During the month of April, youth will have the opportunity to go on safari at the credit union as Katahdin Federal Credit Union celebrates National Credit Union Youth Month™. This year's theme, "Wild About Saving™," encourages youth to use resources available at the credit union to help them cut their way through the jungle of financial responsibility. Before long, they'll be leading their own savings safari.

Bring your zoologists into Katahdin FCU the week of April 20–26 to help us celebrate National Credit Union Youth Week. We have more ideas to help you raise children to be financially savvy young adults and will have fun games and prizes during



the week. We are also participating in the National Savings Challenge—ask us about how the youth in your family can participate!

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Insurance Corner

For our members that are not aware, Katahdin Gateway Insurance has a Lincoln office in the Hannaford Plaza to serve your insurance needs. This is a fully staffed office, five days a week. We would like to welcome Danielle Neal to our Lincoln staff. She has recently joined our team and comes to

Danielle Neal

us with over ten years of insurance experience and is a licensed insurance agent. She has experience servicing both personal and business insurance needs and is anxious to service our current clients as well as any new clients in the area. Please stop in for a free, no obligation, insurance review.

As you know, we also have offices in Millinocket and East Millinocket that are staffed five days a week. Our Milo office is open by appointment to help serve the members in that area. We strive to provide you with friendly, local, convenient and courteous service. We still look at all of our clients as people and not just a number. We also have 24 hour phone numbers available to you for most of the insurance companies that we do business with in cases of claim emergencies. We welcome you to give us the opportunity to review all of your insurance needs. Thank you to all the members who are currently doing business with our offices. Please let us know if there is anything we can do to serve you further.

Katahdin Gateway



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Annual Blood Drive



Katahdin FCU and Stearns High School recently sponsored a community blood drive to support the American Red Cross. The American Red Cross, a charitable organization, shelters, feeds and provides emotional support to

victims of disasters and is the largest supplier of blood and blood products throughout the world. If you would like more information about the American Red Cross, logon to www.redcrossblood.org. Thank you to all of our community members who gave of their time to donate to this worthy cause!

Why should you donate blood?

- Every two seconds someone in the U.S. needs blood.
- More than 38,000 blood donations are needed every day.
- The average red blood cell transfusion is approximately 3 pints.
- The blood type most often requested by hospitals is Type O.
- The blood used in an emergency is already on the shelves before the event occurs.
- Sickle cell disease affects more than 80,000 people in the U.S. Sickle cell patients can require frequent blood transfusions throughout their lives.
- More than 1 million new people are diagnosed with cancer each year. Many of them will need blood, sometimes daily, during their chemotherapy treatment.
- A single car accident victim can require as many as 100 pints of blood.

www.redcrossblood.org

Donation for Ending Hunger

Maine Credit Union League's Ending Hunger 2014 Campaign has set a new record. The fundraising results of the 2014 Maine CUs' Campaign for Ending Hunger were announced recently and a record-setting \$552,257.43 was raised, nearly \$40,000 more than the 2013 record!

Credit Unions throughout the state raise funds for the Campaign all year long; however, the main period of fundraising is in the fall from September - December. All of the money raised is distributed to hunger

organizations and food pantries throughout Maine and the great news is that 100% of all of the money raised by credit unions stays in Maine and goes directly to the cause of ending hunger. All administrative costs are covered by the Maine CU League's Social Responsibility Committee.

Ending Hunger Funds of over \$1,600 was returned locally to Christ the Divine Mercy Parish, I Care Ministries and the Katahdin Kupboard. Pictured above, Representatives from the local food pantries receiving checks from KFCU Board members.



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 TrekSM 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[®] Classic[®] Cards
Visa[®] Gold Cards

Other Services

CU24SM Visa[®] 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
Bill Pay
Mobile Banking
Remote Deposit Capture

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207-463-3661
www.katahdinfcu.org

Hours

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



The How-To Guide for Shared Branching

The CO-OP Shared Branch Network, the best way to travel and have fee free access to your money, is a network that your credit union has elected to participate in that allows you to access your accounts at any credit union that supports it. How can you tell which credit unions participate? That's easy! Simply look for the new CO-OP Shared Branch sign.

If you don't want to drive around searching for a credit union with the CO-OP logo, the best way to get around that is to check out Maine's credit unions branch locator. This way, all you need to know is the area you will be traveling to, and the locator will find you branches nearby.

Now that you have located a shared branch, you will need to bring certain information with you. Since you will not be at your credit union, the tellers at the shared branching location will not know you. The documents to bring with you are:

1. Your valid, government issued I.D. (i.e., state driver's license, U.S. passport)
2. Your credit union's name
3. Your member number

On top of the information you need to have, you may also be asked verifying information, such as the last four digits of your social security number and your address (as it appears on your account). Once the teller has verified that they have the right account open, you are able to conduct the following free transactions:

1. Make deposits
2. Withdraw money from your account
3. Make loan payments
4. Do account transfers

For a fee, you can also purchase official checks and money orders. For the items that you might need to purchase, the credit union will have a list of the fees available.

Now that you know how easy shared branching is, you can confidently conduct these transactions and experience the convenience of the shared branching network.

Account Number Change Request

Members wishing to change their account numbers can do so by completing a short form available at the credit union office. We will work with you to reestablish direct deposits and automatic debits. Please contact a member of our staff to help you with this process.

Helpful Hint for Signing Up for Direct Deposit

When enrolling your checking account for direct deposits or automatic payments, please use the micr number on the bottom of your check. It is the number starting with either 700200 or 700201. This will help prevent posting issues.

Win \$50

When is Financial Literacy Month?

If you know the answer, please fill out this coupon and submit your entry by May 15, 2015. Congratulations to Donna Rush, the winner from last quarter. The question was "What is remote deposit capture?" The answer was "The ability to deposit a check at a remote location."

Name: _____

Address: _____

Telephone #: _____ Answer: _____