

From the President

Hopefully the warm weather continues well into spring this year. At press time, the forecast is for record breaking temperatures, and it is just early March! By the time you receive this newsletter it will be April—the month 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 Month. To celebrate, we will have financial resources 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. We will also be participating in the Northern Penobscot Chapter of Credit Unions Financial Fitness Fair for area high school students.

We believe financial literacy is not just a month long event. We believe it is a year round effort and do have 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 to offer, please give us a call. We would be more than happy to help you.

Enjoy your spring—hope to see many of you at our annual meeting on May 13, 2016!

Tina Jamo
President/CEO



Annual Meeting Notice

Mark your calendar for May 13, 2016, for our 62nd 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 2016 Annual Meeting:

- Gary Dumas, Millinocket, ME (incumbent)
- Bernadette Friel, Millinocket, ME (incumbent)
- Arnold Hopkins, Millinocket, ME (incumbent)
- Harold Cote, Millinocket, ME (2 year term)

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

What is Credit Union Strong?

Our month-long youth celebration is focused on the theme of Credit Union Strong.



Young people face a bewildering financial landscape in their immediate future—one where technology has made spending as easy as breathing and the cost of higher education continues to skyrocket. That's why we believe it's more important than ever to ensure our youth possess strong money management skills.

As a not-for-profit financial cooperative, our core values include member education and social responsibility. We care about the community where we live and work, and the people in it. We look forward to watching the next generation grow and make it even better.

By instilling the habit of saving at a young age, offering positive encouragement, and providing financial education, we can prepare our community's youngest members for brighter futures by helping them grow into financially capable adults. Credit Union Strong means having the money skills to embrace an awesome future, and leaving your community better than you found it. That's why we take our mission of helping youth so seriously.

Of course, we realize the biggest influence on anyone's life is his or her parents. So if you want to start your kids on a path to financial strength, participating in Credit Union Youth Month is a good start.

Bring your financial fitness buffs into Katahdin Federal Credit Union and help them pump up their savings.

Visit Katahdin Federal Credit Union during April and help us celebrate National Credit Union Youth Month™. Katahdin Federal Credit Union will show youth and teens how to get Credit Union Strong™ and pump up their savings at their credit union. And remember, KFCU membership is open to all members of your family.

Apple Pay is here



Now you can enjoy all the benefits of your Katahdin Federal VISA® Card using Apple Pay on iPhone 6.

Apple Pay changes how you pay with breakthrough contactless payment technology and unique security features built right into iPhone 6. You can pay in an easy, secure, and private way.

Go to www.apple.com/apple-pay to learn more.

Bottom Line

Playing Catchup?

Longer lives mean longer retirements, and for women, especially, who are expected to live five years longer than their male counterparts, this fact can pose a retirement dilemma. You see, according to Bloomberg.com, women, on average, find themselves more than \$268,000 short of what they'll need to retire comfortably at age 65. Men aren't immune either. They're \$212,000 off track.



What this means is that a woman preparing for retirement needs to set aside \$126 for every \$100 a man sets aside – a 26% gender gap. With 53% of women planning to retire after age 65 or not at all, this issue becomes all the more important. And there are many reasons why women tend to fall short when it comes to saving for the later part of their lives. Along with facing the possibility of lower wages compared to their male co-workers, many spend time away from the workplace during their careers to raise children or provide caregiving assistance to family members.

So what can you do? Women needing to make up for time spent out of the workplace can continue to work in retirement, either full or part time. And while working longer and delaying retirement can be an important opportunity, if you haven't saved enough for retirement, you've still got time to bridge a savings gap. Simply not retiring isn't exactly a sustainable retirement strategy.

The good news: it appears that women are better savers and participate in more workplace-savings programs than their male colleagues. And women are just as likely as men to invest in stocks, with 73% of their savings invested in equities. They're also more likely to tap into investment vehicles like target-date funds, which adjust portfolios automatically as a person nears retirement age. Although generally higher wages give men an initial advantage, women tend to be more disciplined savers through the course of their careers. This slow and steady approach, coupled with the power of compounding, can help make up for gaps created by devoting time and energy caring for children or family members.

Despite facing some obstacles, it's possible to offset these issues with a little planning and patience, some tips for doing so are included below. By saving diligently and working closely with a knowledgeable financial advisor, you and your loved ones will be better prepared to live comfortably in retirement.

Six Steps to Boost Your Retirement Savings

PLAN EARLIER – Work with your financial advisor to define your future retirement and what you'll need to fund the lifestyle you envision, making sure to include your employer sponsored retirement plans and outside savings.

SAVE MORE – If you need to save more, create a plan to gradually increase your savings by committing bonuses, salary increases and extra spending money to retirement savings or just adding 1% a year to what you already sock away in a retirement account.

MAXIMIZE YOUR EARNINGS – Harness your worth in the workplace by capitalizing on education opportunities available through your employer and by speaking with your manager about future opportunities, which could lead to career growth and a higher salary.

RETIRE TOGETHER – By working in coordination with your spouse you will both be better able to maximize your retirement potential.

SET REALISTIC GOALS – When deciding whether to reduce work hours or take time out of the workforce to be a parent or caregiver, carefully consider the financial trade-offs and options to help mitigate the impact on your long-term financial security.

HAVE A BACKUP PLAN – Work with your financial advisor to create a plan in the event that you are unable to work up until your planned retirement age. To do this, identify key cost-cutting areas, such as moving into a smaller place or renting out a spare bedroom to a roommate or friend.

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Home Sweet Home

Equity Line of Credit from Katahdin Federal Credit Union

There is no place sweeter than home and there is no place more accommodating than KFCU to finance your future dreams. You can use the equity in your home to renovate, update, purchase or consolidate those items to make your dreams come true. Funds can be used for home improvements, education, weddings (or other important events), debt consolidation—the list is endless!



Empty Nest Photography

For a limited time

- Closing costs will be waived (up to \$250.00)
- No annual fee
- Interest may be tax deductible (consult a tax advisor)
- Easy access to your funds

Apply today!

Stop by one of our offices or give us a call...it's that easy!



***FOR RATES CONTACT US!** Rates subject to change. Property insurance is required. Flood Insurance may also be required. Rates, terms, APR and conditions are subject to change without notice and restrictions may apply. All loans subject to verification of equity. Rate based on the CMT plus a margin. Index-based on the prior calendar quarter's average of the one-year constant maturity treasury as published in the *Wall Street Journal*. Minimum payment requirement: You can obtain advances of credit for three years (the draw period). During the draw period, your payment will be due monthly. Your minimum payment will equal 1.5% of the outstanding balance as of the date of your last advance or \$50.00 whichever is greater. After the draw period ends, and if the Agreement is not renewed, you will no longer be able to obtain credit advances and must continue to make at least the minimum payments described above for as long as it takes to pay off your account (the "repayment period"). Minimum payment example: If you took a single \$10,000 advance and the Annual Percentage rate was 3.50%, it would take six years and three months to pay off the advance if you made only the minimum payments. During that time, you would make 74 payments of \$150.00 and 1 payment of \$37.89. **Other closing costs may apply. This offer is for a limited time only. See HELOC disclosure for full details. Membership eligibility is required. Subject to credit approval. Consult your tax advisor regarding the deductibility of mortgage interest. We do business in accordance with the Federal Fair Housing Law and Equal Credit Opportunity Act. The maximum annual percentage rate that may be imposed is 18%. The minimum rate is 3.00% APR. You can finance up to 80% of the value in your home minus existing mortgage obligations.

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 the driver is licensed, they need to be added to their parent's auto policy or their own policy. 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 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 them 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 to get quotations for adding those teenage drivers to your policy. If you do not have your insurance with our agency, we would be glad to give you free, no obligation advice and quotes. This type of a change in life situation is a great time to shop your 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!



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Lincoln, ME 04457
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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 and you may review our policy and practices with respect to your personal information at www.katahdinfcu.org (privacy notice link) or we will mail you a free copy upon request if you call us 800-451-9145.

Count on Enhanced Fraud Protection with Chip Technology

Visa® Credit Union Credit Cards now come with chip technology built right in. This tiny chip protects your card information in a big way.



Receive an enhanced level of security. When you use your card at a chip-enabled terminal, the embedded chip protects your information by creating a unique code for each transaction.

Enjoy global acceptance. More places than ever now accept Visa credit cards. Whether you check out using chip technology or swipe your card, you can pay with confidence worldwide.

Plus you're protected against unauthorized use with (Visa's Zero Liability policy). *

Here are some answers to frequently asked questions about Chip-enabled Visa® Credit Cards

Q. What is a chip-enabled credit card?

A. VISA® Credit Union Credit Cards now feature chip technology. You'll receive an enhanced level of security as well as global acceptance.

Q. How does chip technology protect my information?

A. Every time you use your card at a chip-enabled terminal, the embedded chip generates a unique transaction code. This prevents stolen data from being fraudulently used.

Q. Where can I use a chip-enabled card?

A. You can use chip-enabled cards at millions of places that accept Visa credit cards, at home and abroad.

Q. Can I still swipe my chip-enabled card to pay?

A. Yes. If a merchant is not yet chip-enabled, simply continue to swipe your card to pay.

*Visa's Zero Liability Policy covers U.S. -issued cards only. Does not apply to ATM transactions, certain commercial card transactions, PIN transactions not processed by Visa or any other transactions not processed by Visa. You must notify your financial institution immediately of any unauthorized use. For specific restrictions, limitations and other details, please consult your issuer.

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.



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
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Hours

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



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 18th 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. 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 or contact Lisa Martin, team captain.



Recognition Night

This year KFCU recognized several employees and volunteers reaching milestones for their continued years of service and dedication. We would like to thank and congratulate the following:

1 Year of Service:

Cathy McGowan and Deborah Murphy

5 Years of Service:

Jenn Nutting

10 Years of Service:

Kim McDonald, Dorothy Howard, Brenda Hews

15 Years of Service:

Rachel Hale

25 Years of Service:

Gay Dickinson

30 Years of Service:

Lisa Martin and Tina Jamo



Annual Blood Drive

Katahdin FCU and the Junior Class of Stearns High School recently sponsored a community blood drive to support the American Red Cross. Thirty-seven units were donated during the event—with four first time donors participating. 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 students and community members who gave of their time to donate to this worthy cause!

Win \$50

What is the month of April designated as?

If you know the answer, please fill out this coupon and submit your entry by May 15, 2016.

Congratulations to Gale Linscott, the winner from last quarter. The question was "What is the name of KFCU's extended warranty program?" The answer was "Route 66".

Name: _____

Address: _____

Telephone #: _____ Answer: _____