

From the President:

Hard to believe another year has passed and 2017 is here! During the past year, we experienced membership growth from all over Penobscot, Piscataquis and Southern Aroostook County. We would like to welcome those new members who have joined our credit union!

We are also working hard to improve remote access capabilities to those members living outside of our local branch area through our redesigned website, our online banking and bill pay system, mobile banking/remote deposit capture, and an enhanced online account and loan application system. For your convenience, we also introduced Apple Pay® and are working toward Samsung Pay® and Android Pay™.

As well as working on remote delivery services, we continue to work within our community on various programs. I would like to take this opportunity to thank you for your continued support of all of our community outreach programs. Again this December, we partnered with The Brookfield U.S. foundation to “provide warmth for the Katahdin Region”. The Brookfield Foundation supplied warm coats to area children, and KFCU collected hats and mittens to pair up with the jackets. Thank you to all of our members who participated in this program.



KFCU Staff and Julie Day from Brookfield organizing hats and mittens.

Once again, 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.

Tina Jamo, CEO

Scholarship Applications

High School Seniors can apply for Katahdin Federal Credit Union Scholarships at the guidance office of the following schools: Stearns, Schenck, Katahdin, Southern Aroostook, Penquis Valley High Schools, and Mattanawcook Academy.

KFCU Milestones

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 for their years of dedication and loyalty:

1 Year: Bruce Fleming, Mandi Noyes, Joyce Phelan, Harold Lamson Jr. and Hal Cote

5 Years: Ashley Sennett and Joe Clark

10 Years: Lea Ann Jandreau

20 Years: Herbie Clark

25 Years: Brenda Bernardini and Debbie Girsra



Bruce Fleming, Debbie Girsra, Ashley Sennett and Brenda Bernardini



Hal Cote, Herbie Clark, Joyce Phelan, Lea Ann Jandreau, Joe Clark. Not pictured: Mandi Noyes and Harold Lamson.

2017 Board Elections

The Annual Meeting of Katahdin Federal Credit Union will be held on May 12, 2017. The Board of Directors recently appointed the following directors to the Nominating Committee: Chairman, Gary Dumas, Dorothy Howard and Arnold Hopkins. Members wishing to run for the Board of Directors should contact the Nominating Committee by February 11, 2017.

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 a 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 offices 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.

The Bottom Line

Happy New Year KFCU members from Single Source Financial Centre! It's hard to believe it is 2017, indeed time marches on. That's why it's so important to make sure your financial goals are on track and stay on track as the calendar marches on too. The sooner you get started saving for retirement, likely the more successful you will be in achieving your financial retirement goals. Albert Einstein reportedly stated "Compound interest is the eighth wonder of the world. He, who understands it, earns it ... he who doesn't ... pays it." While there has been some debate on whether or not he actually said this, there is little doubt that the effects of compounding interest can have enormous results, more especially, the earlier you start saving.

One of the best ways to keep on track and take advantage of potential compound interest is by 'Dollar Cost Averaging'*. The idea is to consistently invest a fixed amount on a periodic basis, usually monthly. As the various markets fluctuate in price, you will have an average cost of investment. Dollar cost averaging is a proven investment technique and possibly a good way to make sure your investments stay on track with the calendar that never stops.

Even though we are in the New Year, there is still plenty of time to make an IRA contribution and potentially reduce your 2016 income tax liability. Contributions can be made up to April 15th or when you file your tax return, whichever comes first. For 2016 individuals are

allowed to contribute up to \$5500 to an IRA. Individuals over 50 years of age are allowed to make additional "catch up contributions" of \$1000, for total contribution of \$6500 for 2016.

Contact us today to schedule an Initial Complimentary Consultation if you would like to discuss whether or not dollar cost averaging or making an IRA contribution makes sense for you, or if you have another financial matter such as a 401k rollover you would like to discuss. We look forward to helping you work towards achieving your financial goals in 2017 and beyond.

The information contained herein has been obtained from sources considered reliable, but we do not guarantee that the foregoing information is accurate or complete. Raymond James is not affiliated with any other entity listed herein.



Thomas W. Duff
Financial Advisor
Single Source Financial Centre
749 Central Street
Millinocket, ME 04462
207-723-5264 or 888-925-5264

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Ending Hunger

Each year, nearly all of Maine's credit unions participate in the Maine Credit Unions' Campaign for Ending Hunger. Since 1990, the year that this collective effort began, Maine's credit unions have raised and distributed more than \$6.5 million to help end hunger in Maine.



Ending Hunger Committee: Theresa Lane, Lisa Martin, Betty Averill, Lori Violette, Jennifer York

How the Ending Hunger Campaign works

Participating credit unions raise funds for the Campaign at various times throughout the year. However, the primary period of fundraising is in the fall from September - December.

- All money raised is distributed to hunger organizations and food pantries throughout Maine.
- 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.
- The month of November is designated as ending hunger month in Maine and Maine's credit unions are usually involved in a variety of food drives and fundraising activities for ending hunger.



Herbie Clark, Board Chairman and Tina Jamo, CEO, present \$900.00 each to Christ the Divine Mercy Parish representatives Anne and Melvin Martin and I Care Ministries Food Pantry representative Herschel Hafford.



Ending Hunger Committee members, Lisa Martin and Lori Violette, present Brenda Davis the Walking Tour donations.

Statistics on Hunger in Maine

- More than 40% of Maine kids under the age of 12 show some evidence of hunger
- 68,950 Maine children are food insecure
- New data shows that 15% of Maine households, representing 200,000 people, experience food insecurity. Maine ranks 13th in the nation in food insecurity and first in New England. In addition, a new report from the Good Shepherd Food Bank found that nearly 40,000 people a week were being provided with food assistance from one of its 640 member agencies. This is double what was originally estimated.
- Hunger and the risk of hunger are widespread among Maine's low-income families with children
- The likelihood of experiencing hunger or the risk of hunger is directly related to income
- Children living in households which experienced hunger or the risk of hunger are more likely to experience health or school-related problems.
- Several groups are found to be at greater risk of hunger in Maine: children, adults in low income families, disabled persons, persons with special needs, the elderly, those living in rural regions and the inner cities of Maine's largest urban places.
- Several factors contribute to hunger in Maine including: income growth that is outpaced by cost of living; high level of underemployment; widening gap between rich and poor; illiteracy; and lack of consumer information on nutrition. (www.maineucul.org)

KFCU staff participated in a number of fundraisers for the cause this year, including sponsoring a credit union dinner, multiple dress down days, pie and cake sales, Trail's End popcorn sales, candle and soap sales.



Rachel Hale, Branch Manager, Dottie Tucker, teller and Herbie Clark, Chairman of the Board present Agape Food Pantry with a check for their food pantry.

Insurance Corner

Whether we like it or not, winter has arrived. Winter weather brings an unpredictable number of driving hazards including rain, wind, sleet, and snow. Please keep in mind several of these tips:

- Always leave plenty of space between you and the vehicle in front of you
- Try not to brake suddenly; braking gently will help avoid skidding.
- Please keep your vehicle, windshield and headlights clean and clear of snow and ice.
- Always be careful on bridges and overpasses as they generally freeze first.
- Lastly, remember to slow down and leave extra time to commute between locations. Sometimes the roads can be clear when you leave home, but can become hazardous at any time.

Now is the time to review your insurance liability limits. The State of Maine only requires minimum limits of \$50,000 per person/\$100,000 per accident. These amounts do not go very

far in covering costs in the event of an accident. It is often, very inexpensive to purchase higher liability limits and we all know how high medical costs can be --even with a minor accident. We recommend that you purchase the highest liability limits you can afford, as you never know when you could be involved in a serious accident. With insufficient liability limits you can jeopardize everything you own once your liability limits are exhausted. Please do not hesitate to give us a call for a full insurance review. It doesn't cost you anything to review and check.



Kim French

Agency Manager
Katahdin Gateway Insurance, LLC
749 Central Street
Millinocket, ME 04462
207-723-9941 · Fax 207-723-9774

112 Main Street, Suite 3
East Millinocket, ME 04430
207-746-3687

52 Park Street
Milo, ME 04463
207-943-5955

30 Goding Avenue
Lincoln, ME 04457
207-794-3022

Try these 17 ways to unclutter your life in 2017

We Americans are accumulators of stuff. Every day we buy more stuff. On special occasions, we give our loved ones stuff. Sometimes we have to rent storage units to keep stuff from overwhelming us.

The start of this New Year could be an opportunity to make a clean break with stuff cluttering up your house, garage, and life. If you're game, we suggest setting aside bite-sized two- to three-hour chunks of time. Your basic tools: a roll of garbage bags and a permanent marker. Cue up your iPod with your favorite music, start with the area whose clutter makes you craziest, and decide what to keep, toss, or donate. Some tips:

1. If it's hard deciding what to keep, professional organizer Barbara Reich advises asking yourself, "Is it beautiful, useful, or well-loved?" Marie Kondo, best-selling author of *The Life-Changing Magic of Tidying Up*, says, "Does it spark joy?"
2. Use opaque trash bags for items to be donated or discarded. It may seem cruel, but seeing them might tempt you to change your mind.
3. If you need to store things you're keeping, consider see-through boxes, often on sale after Christmas. Write the contents on the box lids—e.g., "Christmas Ornaments" or "Camping Gear."
4. When you organize a drawer, labeling its front using a label maker, ("Utensils" or "Dishcloths," for example) will make it more likely to stay organized.
5. Get file folders if you plan to sort through papers and receipts. Use broad categories when you label the folders, such as "Medical," "House," "Car," "2016 Taxes." Get rid of documents you can research online.
6. Don't throw away things that have great sentimental value for you. But do explain their significance (either on an attached tag or a separate list), so your family can decide what to do with them after you're gone.
7. If you don't care for an heirloom and no one else in the family wants it, sell it on eBay or donate it to a charity. Aunt Edna won't think less of you.
8. Get rid of kitchen stuff you never use. The barbecue fork with temperature sensor? The fondue set bought at a yard sale? Recycle them to someone else, if you can.

9. We New Englanders often stockpile candles, just in case. But why keep all those burned-down stubs and sickly-scented gift jars you dislike?

10. Clothes closets are often full of hopes and dreams, including things you won't have an occasion to wear or can't fit into any more. If you haven't worn an item in a year, take it to a charity or consignment shop.

11. Don't stash household supplies in multiple caches around your home. Store them in a single place so you can easily see if you're running low.

12. Is your medicine cabinet or cosmetics drawer a Valley of the Dead? Ask your pharmacist how to safely dispose of unused prescription meds. As for cosmetics, cull out the old stuff ASAP—especially eye makeup.

13. Winnow a few favorite items from the many things you saved when your children were little. If the rest can't be recycled and the kids don't want them, incinerate them and scatter the ashes in a meaningful place.

14. Getting too many unwanted catalogues? Buy a handful of prepaid postcards at the post office. When you receive an unwanted catalogue, mail a card to the sender requesting to be unsubscribed from their mailing list.

15. Sort through the stuff in your storage unit. Have a sale right there of things you don't want. Get rid of the rest, close the unit, and save money.

16. Throw out the product boxes you've saved. Even packaging for expensive electronics can be tossed after six months. If you haven't needed to send the item back by then, the chances are you never will.

17. Schedule a separate time, perhaps with an interested grandchild, to organize loose photos into an album. (Write descriptions!) Or your local drugstore may offer a service that will burn them onto a CD.

We offer several ways to unclutter your money management, too, such as mobile deposit, automatic bill payment, and direct deposit to checking and savings. Stop by to see about clearing away unnecessary financial "stuff"—so you can enjoy a new year with more time for what really matters.



Share the benefits of membership with eligible family 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

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

Hours

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



Halloween Contest Winners

Congratulations to this year's Halloween Coloring Contest Winners:

Brody Peters
 Liam Cyr
 Ava Anderson
 April Robinson
 Olivia Anderson
 Kevlin Goult
 Jazmyn Ellingwood
 Tristen Hardy
 Allie Landry
 Charlotte Hartt
 Jonathan Barnes



We received some very creative pieces, making judging most difficult. Congratulations to the winners!

Christmas in Katahdin

Christmas in Katahdin celebrated its 14th annual Christmas party on December 3. A record number of children, approximately 420, attended this free event. This celebration is made possible by donations, sponsorships and volunteers from many organizations and businesses. Once again KFCU employees participated in this worthwhile event by chairing the party and sponsoring a peppermint walk. Mark Scally and Rick McGibbon played Christmas Carols while the children marched in a circle — when the music stopped, one lucky winner was chosen to win a gift card. This event took place periodically throughout the party. We would like to thank Mark and Rick for making this game a fun one for all of us!

During the event, non-perishable food items, white goods and pet food were collected. The response was overwhelming! This community continues to demonstrate its support for one another—especially during this very special season. A huge thank you to all who helped make this occasion happen!

Heading south for the winter—take us with you!

We will miss all of you “snow birds” this winter, but you don’t have to miss out on the services of the credit union! If you haven’t already signed up for Katahdin Connection, our home banking solution, you should do so before you leave and enjoy the convenience of being able to access your accounts 24-hours a day, 7 days a week. For extra convenience, download our Mobile Connection app and have your accounts at your fingertips...wherever and whenever you need them. Also, remember that you have access to the Shared Branching network throughout the country—look for the Co-op Shared Branching logo!



With Katahdin Connection and Mobile Connection, you can:

- Check on account balances
- Inquire on recently cleared checks
- Transfer funds between accounts
- Pay bills

With mobile banking, you can even deposit your checks remotely.

If you prefer telephone, you can still sign up for Money ConnectionSM, our audio response system or call toll free at 800-451-9145. We do love hearing from you—especially when it is -10 degrees and you are enjoying the 80 degree sunshine! Have a great winter—we look forward to hearing from you!

Stay Connected to KFCU with MOBILE CONNECTION

Your mobile solution
 Download our app from the App StoreSM or Google PlayTM and connect to Mobile Connection **TODAY!**

Win \$50

What is remote deposit capture?

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

Congratulations to Betty McDougall, the winner from last quarter. The question was “What is one of the nine co-operative principles shared by cooperatives?” The answer was “Ongoing education.”

Name: _____

Address: _____

Telephone #: _____ Answer: _____