

Casco Community Connection

A QUARTERLY NEWSLETTER OF CASCO FEDERAL CREDIT UNION

Dollars and \$ense

New Year Resolutions

Yes, you can do it! Utilize these steps to develop a New Year's debt payment plan that really works:

- 1. Sort:** Sit down at the table with your bills and sort them into "good debt" and "bad debt." Good debt is a loan to buy something that will gain value, like your house or a child's education. Bad debt is associated with buying things that lose value, such as a car, clothing, or a vacation. Focus on paying off the bad debt first.
- 2. Organize:** Write down how much you owe and the interest rate on each of your loans or credit lines. Seeing this list laid out in front of you may help you arrange your debt.
- 3. Consolidate:** If you have a lot of bad debt at relatively high interest rates, see us about a debt consolidation loan. These loans have a fixed interest rate and fixed monthly payments, which may be lower than your current monthly payments combined.
- 4. Prioritize:** If you don't go for a debt consolidation loan, chop away at the highest-rate "bad debt" first. Pay more than the minimum payment and make extra payments whenever you can. Use our online bill payment service to make these payments quick and easy.
- 5. Discipline:** Once you've paid off the bill with the highest rate, start whittling away at the next highest debt. Be patient...slow and steady wins the race!

If credit cards tend to be a means to satisfy a need for instant gratification, use your debit card for everyday shopping. That may help you think twice about whether or not that purchase is a necessity or not.

President's Message

On behalf of the staff and volunteers of the credit union, I want to wish you all a very happy and prosperous new year. For the last few years my year end messages have been about the economic struggles we have all experienced and this year is no different.

The housing market and the general economy are still very challenging. It is sometimes tough to make ends meet and your credit union is here for you and all your financial needs; remaining strong and financially healthy. We are a financial co-operative and use your deposit dollars to make loans to your friends and neighbors, reinvesting in our local communities.

However, there is a light at the end of the tunnel. We have a few more quarters of tough going, but there are glimpses of hope on the horizon. The "can do" attitude and toughness of Maine people will help us persevere. As the saying goes, "when the times get tough, the tough get going."

Please remember that we are all here to serve you, our members, so come see us first for all of your financial needs; Casco Federal Credit Union is where *You Belong*.

You Belong at Casco Federal Credit Union for Great Rates AND Great Service

We have money to lend so make us your first stop for borrowing! Our lending decisions are always made locally by people you know and trust.

If you need to borrow money, Casco FCU is the place to begin. At a time when many lenders are making fewer loans, we offer home mortgages with great rates and lower closing costs.

And there is much more, of course. We also make loans for new and used vehicles. You can apply for a low-cost personal loan for home improvements, major and minor purchases, or debt consolidation. And we can help you put the financial power of your home to work with an equity loan or line of credit.

Since credit unions are not for profit, you get the best rates and fewer fees. In Maine alone, those savings have calculated to nearly \$73 million a year.

We also offer financial guidance for our members. Whether you have questions about purchasing a new vehicle, opening a retirement account, or just need help developing a realistic budget during this tight economy, our staff members are glad to share their financial knowledge with members in the community.

Notice of Board of Director Nominations

Casco Federal Credit Union will be accepting nominations for our Board of Directors from January 1 – 31, 2011.

Each nominee must submit a letter addressed to the Nominating Committee which states your intent to serve as a volunteer and lists your qualifications. All nominations must be received prior to the January 31, 2011 deadline.



Put More Money Back Into Your Pocket!

If you made less than \$50,000 in 2010, you might be leaving hundreds of your hard-earned dollars unclaimed. Find out by having your federal and state income taxes prepared for free by IRS-certified volunteer tax preparers starting in January. You could qualify for up to \$5,666 from the federal Earned Income Tax Credit (EITC) alone!

Free tax preparation sites are available in towns throughout Cumberland County offered through CA\$H Greater Portland and its coalition member, AARP Tax-Aide. Sites will be open in Portland and Westbrook this upcoming tax season.

How to participate:

1. Collect tax statements from ALL income received in 2010 (W-2, 1099, 1098, SSA and unemployment).
2. Gather Social Security cards for each person you will claim on your tax return.
3. Dial 2-1-1 (it's free!) to find a tax site near you.
4. Call the tax site to schedule an appointment: other qualifications may apply (interpreters available upon request).

Casco Federal Credit Union is a member of CA\$H Greater Portland. For more information, visit www.cashgp.org or dial 2-1-1.

4 Helpful Tips About IRAs

Although individual retirement accounts (IRAs) have been around for almost 35 years, many of the folks they are aimed at are fuzzy about these tax-sheltered ways to save. In fact, a 2008 survey by AARP Financial found that half of all Americans between the ages of 18 and 49 were not clear on how IRAs worked. Since these are the very years when savers have the most to gain from long-term compounding, we want to shed some light on IRAs:

- 1 You don't have to wait until April 15. An IRA for the 2010 tax year can be opened and funded through April 15, 2011. So you don't have to wait; you can start now. In fact, many savers set up automatic deductions every month so they can easily stash away as much as the rules allow.
- 2 You can open an IRA even if you can't contribute the maximum. For 2010 and 2011, you can contribute as much as \$5,000 in any combination of IRAs, or \$6,000 if you're 50 or older. Although those limits are the maximum, you can contribute a lesser amount.
- 3 You can have both a Roth IRA and a Traditional IRA. Why? Because a Roth IRA and a Traditional IRA are each very different ways to save for your future. Roth IRA contributions are not tax deductible whereas Traditional IRA contributions typically are tax deductible and both IRA products allow your earning to grow tax-deferred.
- 4 We can open your Roth and Traditional IRAs. Interested? Come see us! We'll be glad to set up your IRA and help you learn more about them. As always, before making decisions that could affect your tax situation, be sure to consult a tax advisor.

Prepare Now for Tax Time

Although it happens every year, many of us wait until the April 15th deadline begins to creep up on us before we start preparing to file our tax returns. However if you keep taxes in mind all year long by keeping your records organized in a safe location, you will be ready and waiting for tax time! Whether you file your taxes yourself or use the service of a tax professional, here are a few suggestions of documents that you should keep organized and set aside all year round.

- ✓ **Investments:** Gather and keep together all paperwork relating to investments you have made; this includes brokerage statements as well as individual buy and sell confirmations for each security.
- ✓ **IRAs:** Collect all statements and any records of the contributions you have made to your IRAs and other retirement plans.
- ✓ **Home Improvements:** Upgrades made to your home could result in tax savings. Be sure to keep those records and receipts handy.
- ✓ **Donations:** Assemble your paperwork for any donations made to charitable organizations. Many times these records will be simple receipts so keeping them organized throughout the year will save you time having to hunt for them later.
- ✓ **Property Tax Information:** Locate statements and receipts for tax information regarding your vehicle, mortgage and home equity loan. You will also need your statements for interest and dividends earned on your savings accounts.

Having these records organized and easily accessible will make it easier for you when the time comes to sit down and file your taxes. Now that you are prepared to file your 2010 taxes, use your same system and start organizing for the 2011 tax year!



Credit Union Service Center locations can now be found using the iPhone App, "Find Branch!" Members can find the nearest location, as well as credit union hours, directions and a phone number. To search for locations on the web visit: www.cuservicecenters.com.

BRANCH LOCATIONS

375 Main Street, Gorham, ME
207-839-5588
MONDAY - FRIDAY 7:00 AM TO 4:00 PM

35 Cumberland Street, Westbrook, ME
207-854-2446
MONDAY - FRIDAY 8:00 AM TO 5:00 PM

397 Ossipee Trail, Gorham, ME
207-839-3933
MONDAY - FRIDAY 9:00 AM TO 5:00 PM