

Casco Community Connection

A QUARTERLY NEWSLETTER OF CASCO FEDERAL CREDIT UNION

We are pleased to announce that **Katie O'Brien**, Vice President & CFO of your credit union, recently graduated from CUNA Management School. Katie was one of only two students in the class of 55 to graduate with the highest honors. Congratulations, Katie!

Dollars and Sense

Changes Coming to ROTH IRA's

A Roth IRA is an individual retirement account that is funded with dollars that have already been taxed. One of the many benefits of contributing to a Roth IRA is that your investment will grow tax-free. Contributions made to a Roth IRA may be withdrawn at any time, tax free and without penalty. Once your Roth IRA has been established for five years, earnings may be withdrawn tax and penalty free for a qualified reason, such as reaching age 59 ½, first time home purchase, or post high school education. Many people have been prevented from converting their existing IRAs into Roth IRAs and have not been able to take advantage of these benefits, until now.

On January 1, 2010, as part of the Tax Increase Prevention and Reconciliation Act, the federal government is eliminating the prior \$100,000 income limit for Roth conversions and the restriction on spouses who file separate returns. This should enable more retirees who, rolled over their 401ks and other workplace related savings plans into IRAs, to convert to Roth IRAs.

Why Convert to a Roth IRA?

Once your Roth IRA has been opened for 5 years and you are at least age 59 ½, withdrawals are tax-free. Like most IRAs, early withdrawals are subject to penalties.

Unlike Traditional IRAs, Roth IRA owners are not obligated to take the required minimum distributions once reaching age 70 ½. This means that you will not be forced to make withdrawals; you can choose when and how much to withdraw based on your needs. There are also no age restrictions in terms of who can contribute to a Roth IRA; you will not have to discontinue contributions once reaching age 70 ½.

Please be aware that converting a Traditional IRA to a Roth IRA comes with a price. The conversion is treated as a taxable distribution, meaning you will have to pay income taxes on all pre-tax contributions and earnings included in the amount you convert. However, the conversion amount is not subject to the 10% early withdrawal penalty. Taxpayers who convert to a Roth IRA in 2010 can elect to report the conversion income in 2010 or average it over the next two years.

For more information on Traditional or Roth IRAs, please contact one of our knowledgeable member service representatives. Due to the tax implications and other factors associated with the conversion, we also urge you to speak with a tax professional before making the switch.

PO Box 87, Gorham, Maine 04038

WWW.CASCOFCU.COM

Casco FCU Community Yard Sale



On Saturday, September 26th – the front lawn of Casco Federal Credit Union was transformed into our First Annual Community Yard Sale! We had over a dozen families participate in the event. They sold items to several hundred bargain shoppers from all over the Greater Gorham Area.

Your credit union sold donated items, hot dogs, popcorn and coffee and collected over \$350 for our charity - Maine CUs' Campaign for Ending Hunger. All money raised is distributed to hunger organizations and food pantries throughout Maine.

Thank you to everyone who donated their time and energy into making this First Annual Community Yard Sale a huge success! We would also like to thank the community members who came out in search of a great deal and helped support us in our endeavors.

Save Money and Energy Starting Today!

Here in Maine heating costs make up a significant portion of our monthly budgets during the winter months. Due to the rapidly rising costs of home heating oil, propane and kerosene, you may be paying a lot more to heat your home than you did just a few years ago. Since winter will be here before we all know it, now is the time to examine your energy bills and look for ways to save. Here are a few affordable ways to keep energy costs down.

1 Seal all leaks. Conducting an energy audit of your home will help identify areas where heated air is leaked out. Check around doors, windows, fireplaces and other areas for drafts. You will want to seal the air leaks with caulk, weather stripping, door sweeps, plastic or other appropriate means to insure the heated air stays in your home.

2 Install a programmable thermostat. A programmable thermostat will help ensure your energy usage is compatible with your schedule. You can program the heat to turn on just before you normally wake up in the morning, maintain a

lower temperature while you are away for the day and then turn back on just before you typically get home.

3 Keep your furnace, heat pump or other heating equipment in top operating condition. Equipment that is properly maintained will run more efficiently and use less fuel. An annual service agreement will be worth the money to ensure that your equipment is properly maintained and will last as long as possible.

4 Check your hot water heater temperature. Set your hot water heater temperature to 130 degrees fahrenheit. This temperature will be hot enough to kill germs but is probably lower than your current setting.

5 Reduce Dryer Time. Clothes dryers are infamous energy hogs. Each time you choose not to use the dryer you are saving money. During the winter months, the air in our homes undoubtedly runs very dry so clothes drying on a wooden rack or hanging on a line in the laundry room will dry quickly.

Your Privacy is Important to Us- Please Help us Protect It!

While we welcome calls and emails from our members, Casco Federal Credit Union will never call, text or email you asking for personal or account information. Please be aware that we always take the precautions in protecting your privacy. This means that we will NEVER include personal information in an email to you including your personal account numbers, Social Security Number, PIN number or passwords. If you receive an email or text message from someone that appears to be a credit union employee asking for any of these items, please notify us at 207-839-5588 immediately.

Here are a few things you can do to prevent scammers from accessing your personal information:

1. Never pay bills, bank, shop or conduct other financial transactions on a public or shared computer, or even over a public wireless network. If you do log on to a public computer, look for computers or networks that require a password.
2. Check your credit union and credit card statements closely to identify and report fraudulent transactions.
3. Make sure your computer's firewall is turned on and that you use antivirus software, which will require regular updates.
4. Use strong passwords and avoid using the same password for your credit union account and other important accounts. Strong passwords include those that have no reference to your life, include both letters, numbers and special characters, and are modified on a regular basis.

Gift of Green!

Looking to buy a new home? MaineHousing wants to give you a house warming gift, up to \$5,500 toward your new home! If you have not owned your own home in the past three years, you may qualify for MaineHousing's Gift of Green, which could include a grant of up to \$5,000 (not to exceed 4% of the mortgage amount) for any required down payment, closing costs or prepaid expenses. You could also receive a coupon worth up to \$500 that is redeemable for a two-part home energy audit, good through December 2010.

The Gift of Green is in fact a gift; it will not be added to your mortgage amount and does not need to be paid back! You can also take advantage of MaineHousing's Purchase Plus Improvement option to finance your purchase and home improvements with one loan. Eligible borrowers may include between \$500 and \$35,000 for home repairs, not exceeding program purchase limits, in your mortgage. The Gift of Green grant may be used in addition to the federal First-Time Homebuyers Tax Credit worth up to \$8,000. If you use the additional funds for home energy-efficiency enhancements and you may qualify for an additional federal tax credit worth up to \$1,500. The combination of financial incentives and federal tax credits could add up to \$15,000.

For more information on MaineHousing's Gift of Green, please contact our CUSO Mortgage Specialist, Eric Bergeron at 207-651-1354 or e-mail ebergeron@cusomortgagecorp.com.

Why 177 Million People Worldwide Choose Credit Unions

On October 15th, members of Casco Federal Credit Union will join the more than 177 million credit union members belonging to over 49,000 credit unions worldwide to celebrate International Credit Union Day. Since 1948, International Credit Union Day has been celebrated annually to promote awareness of and support the credit union difference.

Credit unions are not-for-profit financial cooperatives that exist to serve our member-owners. At Casco Federal Credit Union, every member is an owner with an equal vote in the election of our volunteer board of directors. All profits are returned to our members in the form of lower rates on loans and higher rates on savings, or invested back into the credit union to provide more of the products and services that you need and want.

Whether we are providing a loan to help a member transform a home ownership dream into reality, giving financial counseling to a member who has recently lost their job, or simply offering a lower rate on a used vehicle loan, Casco FCU is supporting and serving the members of our community. It is our hope that our members make the best financial choices for themselves; with that in mind, we offer financial counseling, free of charge to assist you in making informed financial decisions.

Please join us at any one of our branches on Thursday, October 15th to celebrate International Credit Union Day!

Invest in America!

As a member of Casco Federal Credit Union you are entitled to receive special discounts on 2008 and 2009 vehicles from both General Motors and Chrysler. This discount is in addition to any rebates and incentives the dealership is offering. Combine your auto discount with a great interest rate from Casco Federal Credit Union and you will certainly drive away with a great deal.

The amount of the discount varies with each vehicle. Chrysler rebates are \$500 or \$1,000 and apply to most Chrysler, Dodge and Jeep vehicles as long as the purchase is financed with a credit union. GM's discount is called the supplier price and will equal a 4% - 5% discount on all Chevrolet, Pontiac, Buick, Cadillac, Saturn, Saab, HUMMER, and GMC vehicles except the Corvette and medium-duty trucks.

Casco Federal Credit Union members can also take advantage of our free Auto Buying Consultant. Your personal auto buying consultant will help you locate a vehicle, obtain a fair and reasonable price on the vehicle, and ensure a hassle-free delivery.

The Invest in America program began in January 2009 and has helped credit union members save more than \$135 million dollars on new vehicle purchases. Invest in America is another example of how Casco Federal Credit Union supports our local economy.

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