

THE LOCAL RECORD

Brought to you by Vermont Federal Credit Union

A MESSAGE FROM OUR PRESIDENT AND CEO



This year, Vermont Federal held its 60th Annual Meeting celebration and Board of Directors election on Thursday, April 11th at the Sheraton Burlington Hotel & Conference Center in South Burlington. Approximately 375 members and guests, the largest membership representation in the history of the Credit Union's Annual Meetings, joined to discuss the past year's performance and participate in the democratic process that remains at the forefront of the credit union philosophy.

Lively participation from our membership was observed surrounding the makeup of the Board and the process for soliciting and reviewing potential candidates in the future. Many members expressed how pleased they were with the growth and financial success of the Credit Union and commended the Board for the work they had done.

For those of you who were unable to attend our Annual Meeting this year, I shared with our members that the Credit Union had its highest year on record in loan originations of over \$169 million. Total assets grew to over \$364 million during the year which represented over an 8.5% increase and was 1.5 times the national average for the growth of our peer credit unions. Membership grew by over 2,800 net new members and we ended the year with over 35,000 satisfied member/owners like you.

Two positions on the Board of Directors were elected. Joseph Finnigan and Douglas Fisher were re-elected for a three-year term.

We would like to thank all of the members who came out to celebrate 60 years of Vermont Federal Credit Union being a part of the community and for participating in the democratic process. By participating in the election process you are shaping the direction of our organization. Join us at our 61st Annual Meeting scheduled for April 17, 2014.

Sincerely,
Bernard P. Isabelle
 Bernard P. Isabelle
 President/CEO



Vermont Federal Credit Union's Board of Directors and members in attendance of Vermont Federal's 60th Annual Meeting at the Sheraton Burlington Hotel & Conference Center on April 11th 2013.

MOBILE CHECK DEPOSIT HAS ARRIVED



In late January of 2013, Vermont Federal released one of today's most sought-after financial management tools: Mobile Check Deposit.

With this tool, you have the ability to make secure check deposits from anywhere, at any time by taking a photograph of the check you'd like to deposit with your Smartphone. All you need to do is update your current Vermont Federal Mobile App to have access to this feature, or download the free Vermont Federal Credit Union app from the Mac App Store (iPhone) or from Google Play (Android) to get started.

To learn more about remote banking, visit our website at vermontfederal.org.

SCHOLARSHIP RESULTS

Vermont Federal is proud to offer educational scholarships to recognize members who are looking to further their education. This year, four scholarships were awarded in the amount of \$2,000 each; two to graduating high school seniors and two to students currently enrolled in a college, trade school, university or having been out of school for more than one year.

For the first year, Vermont Federal's scholarship application was made available online. Applications were submitted from February to April and were reviewed by a volunteer scholarship committee.

We are proud to announce the following individuals as the recipients of Vermont Federal's 2013 scholarships:



(See the recipients inside)

WHAT'S INSIDE...

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- 2 **TIPS FOR CREATING A BUDGET**
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NEW LOAN PRODUCTS AVAILABLE

Mini Mortgage Loan



The Mini Mortgage allows you to choose the term of your loan and the interest rate that best suits your needs. Choose your fixed rate, from as low as 1.875% APR* and terms from 1 to 10 years. In most instances, an appraisal is not needed and closing costs will not exceed \$250.** This is a great opportunity to refinance, make major purchases, pay for education and home improvements or just reduce your overall debt and pay your loan off faster. Take advantage of the Mini Mortgage rates without the extensive closing fees typically required to do so.

APR = the annual percentage rate. Payment examples: The monthly payment on a 1 year loan at 1.875% APR would be \$17.47 per \$1,000 borrowed. **Closing costs may not exceed \$250 assuming an appraisal is not needed and Vermont Federal is able to rely on the tax assessed value.

DORMANT/INACTIVE ACCOUNT FEE

Effective August 31, 2013, Vermont Federal Credit Union will be assessing a \$5 monthly service charge on all dormant/inactive accounts. This fee will be assessed until the account is closed. A dormant/inactive account is defined as an account that has not had a financial transaction for a period of at least 12 consecutive months. Those Members who are affected by this fee will be able to identify this fee on their statement listed as "Dormant Inactive Fee."

Should you have any questions regarding this fee, please feel free to contact your local branch office, or call our Member Service Call Center at (888) 252-0202, Option 3.

TIPS FOR CREATING A BUDGET

With ever-rising expenses, a busy life and dozens of obligations, it can be easy to lose track of your spending habits. The best way to get back on track financially is to put together a budget based on your income, expenses and goals. This will allow you to maintain your finances more responsibly, help you realize what expenses you can realistically afford, help you to save up for larger purchases, and can potentially get you out of debt. Here are a few tips on how to start your budget:

Record Your Spending: Debt occurs when money was spent that you never had, and it may not happen from one large purchase alone. The small purchases you make day-to-day add up in the end, and the best way to ensure your financial comfort and safety is to begin to record the money you spend—no matter how small the purchase. It may seem tedious in the beginning, but taking the time to write things down will give you greater financial security in the long run.

Categorize Your Purchases: By grouping your

Lifestyle Loan



There are times in your life when unexpected expenses arise and putting the charge on a credit card is either costly or not an option. Vermont Federal wants to help you out with our newest offering: The Lifestyle Loan. This is a less expensive loan to be used for a variety of life-event expenses including weddings, adoptions, cosmetic surgery, LASIK surgery, funeral expenses, infertility treatments, uninsured medical/dental expenses or veterinary care.

SHRED IT SATURDAY

Stop by our St. Albans Old Orchard Branch on Saturday, August 17th, between 9:00 a.m. and noon, for "Shred it Saturday," an event where you can safely and securely dispose of up to five boxes of personal or sensitive information for free.

SecurShred offers on-site document destruction which keeps your identity secure. As identity theft is the fastest growing crime in America, it's important to make sure your personal documents don't reach the wrong hands.

Items we'd recommend shredding often include, but are not limited to, legal documentation, medical files, payroll records, tax information, investment records, financial statements, ATM receipts or credit card statements.

purchases into specific categories, such as "Food," "Utilities," "Car Expenses," etc., you'll instantly become more organized and gain a better idea of where your money is going. To start, look at your list of purchases and put each of them into the categories you think make the most sense. Write down how much money was spent in each category and you'll get a grand total for your cost of living.

Consider Priorities: After you've grouped your purchases into categories, you'll start to see which of the items you buy are things you "need" and which are items you "want." Purchases you "need" to make would most likely be groceries, rent, medication, etc. whereas purchases you "want" could be a new dress, subwoofers for your car or a vacation to Europe. Realizing which items you "need" versus which items you "want" makes it much easier to limit your spending—especially when everything is categorized.

Begin to Budget: Now that you've categorized your expenses, it becomes easier to create spend-

WEBSITE REVAMP COMING SOON

Vermont Federal Credit Union is excited to announce that we will be launching an updated website later this Fall.

With this new and improved website, navigation will be smoother, products and services will be easier to locate, and content will be both user-friendly and engaging. We're not going anywhere; we're just getting a facelift!

Stay tuned for more updates and information on how you can win prizes by using our new website this Fall.

GET INVOLVED AT YOUR LOCAL CREDIT UNION

If you would like to be considered for a volunteer Committee appointment or volunteer Board position at the Credit Union, please send a letter of interest and your resume by September 1, 2013 to:

Jeff McDonough, Chair of the Nominating Committee

Vermont Federal Credit Union
84 Pine Street
Burlington, VT 05401

To contact our Board of Directors:
Chairman - Curran "Spike" Robinson
Secretary - Jean Isham
(802) 658-0225 x1149
board@vermontfederal.org

ing parameters. Look at each category and see if there are any purchases that aren't "needs." If you're over budget, meaning that the purchases you've made are greater than your income, consider cutting back. If there is money left over after bills, that money can be used for your "wants" or, better yet, it can be added to your savings.

For help creating a budget, Vermont Federal offers SavvyMoney, which is a tool that can help analyze your current debt and create a budget and FinanceWorks™ within e-Branch24 (online banking) that allows you to categorize expenses and monitor spending. Head to vermontfederal.org to access these features or stop by one of our branch locations to speak with a Member Service Representative.

CONTACTING VERMONT FEDERAL



Call Center: (888) 252-0202, Option 3
Loan Line: (888) 252-0202, Option 2
Call 24: (800) 280-9630

Email: memberservices@vermontfederal.org

NEW MIDDLEBURY BRANCH RELOCATION

The Middlebury team is moving just around the corner from its current location, 24 Washington Street, to 1 Court Street. The move is scheduled to take place this Fall.

Senior Vice President of Operations for Vermont Federal, Thomas Crapo, stated:

"We made this decision primarily for two reasons. First, we want to provide greater convenience for our membership. The new building is easy to access and has ample parking with drive-thru options that we are unable to provide at our current location. Secondly, we feel the expanded space will allow for continued growth, which will help us to better serve our membership for years to come. We wanted to remain close to our current location while better serving the downtown area."

Check back with us at vermontfederal.org for more updates on this exciting move!

SCHOLARSHIP RESULTS (CONTINUED)



The following four individuals are the recipients of Vermont Federal's 2013 Scholarship program:

Patrick Kane

Patrick was involved all four years of high school in his Student Council, starting as class representative and later being elected as Executive Vice President. Patrick was also involved in a Model United Nations, Math League, the Athletic Leadership Committee, American Legions Green Mountain Boys State, Governors Institute and was the U.S. Representative on the Department of States Youth Leadership Program with Central Europe. We wish Patrick the best as he plans to further his academic future at George Washington University while studying International Relations.

Aleksandra Zahrzewska

Aleksandra was the co-founder of the Woodwind Quintet at South Burlington High School, was on the Editorial Board of The Rebellion Literary and Arts Magazine, was selected for Governor's Institute in Mathematics and Science and also designed and conducted a yearlong study of "The Effect of Glucose Rinsing on Athletic Performance" for the 2011 Vermont State Mathematics and Science Fair. Aleksandra was elected as one of two women to represent the U.S. in the inaugural Winter Youth Olympic games in Austria in 2012. In 2013, Aleksandra was one of four women in the U.S. chosen to represent the U.S. in the Youth and Junior World Biathlon Championship in Austria. We wish Aleksandra the best as she continues her education at Yale University studying Biology this Fall.

Melissa Christie

Melissa started her second bachelor's degree program at the University of Pennsylvania in 2013 pursuing a degree in Nursing. In 2005, Melissa was part of the Child Life Practicum Program at



Our Middlebury and Vergennes Team (Pictured Right to Left): Jessica Burnham, Kristen Dietrich, Jennifer Murray, Jessica Emilio, Lindi Van De Weert, Stephni Newton, Brooke Zeno, Jennifer Delabruere and Bridget Kipp

the Children's Hospital of Philadelphia and also took a service learning trip to Nicaragua. In 2012, Melissa became a Research Associate at the Voices for Vermont Children as well as a Research Contractor for the Vermont Head Start Association. Prior to that, Melissa was a Research Assistant at the National Center for Children in Poverty at Columbia University as well as a Research Intern at New York University at the Center for Research on Culture, Development and Education. We wish Melissa great success at the University of Pennsylvania.

Katherine Siner

Katherine is currently studying to become a registered nurse at Vermont Technical College. Katherine is a member of the Waterbury Volunteer Ambulance Service, Waterbury Backcountry Rescue Team and a National Volunteer Ski Patroller. Katherine has been involved in many organizations and committees including the University of Montana Climate Change Action Committee, the Ecological Agricultural Society, Appalachian Mountain Club Volunteer Search & Rescue Team and she also organized a community bone marrow drive in Williston. We wish Katherine all the best at Vermont Technical College in her journey towards becoming a registered nurse.

All locations will be closed for the following holidays:

Labor Day - Monday, September 2, 2013
Columbus Day - Monday, October 14, 2013
Veterans Day - Monday, November 11, 2013
Thanksgiving - Thursday, November 28, 2013

Christmas Eve - Tuesday, December 24, 2013*
Christmas Day - Wednesday, December 25, 2013
New Year's Eve - Tuesday, December 31, 2013*
New Year's Day - Wednesday, January 1, 2014

Please note: The Credit Union will be closing at 1:00 p.m. on Tuesday, December 24, Christmas Eve and at 3:00 p.m. on Tuesday, December 31, New Year's Eve.

• **FREE CHECKING** •

While many banks are now charging fees for various checking account features, Vermont Federal is keeping ReWARD Checking completely free.

ReWARD Checking

1.50% APY* **.10% APY***

• Free ATMs* even if you don't meet the requirements*
• No Monthly Fees
• No Minimum Balance

VERMONT FEDERAL CREDIT UNION
LOCAL VALUES. UNEXPECTED ADVANTAGES.
vermontfederal.org | 888-252-0202

NCUA This credit union is federally insured by the National Credit Union Administration.

*1.50% Annual Percentage Yield (APY) paid on balances between \$0.01 and \$25,000 and 0.55% paid on any amount above \$25,000 each qualification cycle the minimum requirements are met. ATM fee refunds up to \$25 per qualification cycle. Individual ATM fees of \$5.00 or more will be reimbursed into your ReWARD Checking account upon presentation of the ATM receipt. If you do not meet the requirements per cycle, your ReWARD Checking account will earn 0.10% APY and you will not receive ATM fee refunds for that qualification cycle. \$25 share deposit required for credit union membership, though no minimum balance necessary to earn rewards. Available for personal accounts only. Rates as of March 1, 2013 and subject to change without notice. The daily method is utilized to determine which rate will be applied. Dividends are compounded daily. Dividends will be credited to your account on the last day of each monthly statement cycle. If you close your account before dividends are credited, you will not receive the accrued dividend.

LOCAL

Supporting Our Communities SINCE 1953

RESTAURANT WEEK SUCCESS

The fourth annual Vermont Restaurant Week was even more successful than the last. It began with Vermont Federal staff and community members attending the kick-off dessert competition event, the Sweet Start Smackdown, and concluded on a sunny day filled with salsa sampling and dance lessons at Red Square in downtown Burlington.

This ten-day foodie festival brought in a large crowd with six exciting events and over 100 participating restaurants to choose from.

"In addition to the business boost for local restaurants and food purveyors," President and CEO of Vermont Federal Credit Union, Bernie Isabelle, stated, "this event also raised \$6,600 for the Vermont Foodbank which will provide 19,800 meals



Brichgrove Baking's display at the Sweet Start Smackdown at Higher Ground on Wednesday, April 24th 2013.

for families throughout Vermont."

Vermont Federal strives to make a difference in the communities in which we serve. As a member-owned, community-based financial institution, we make sure to give back to local, Vermont organizations ensuring that the money is reinvested within the state.

For more information about this event, head to www.vermontrestaurantweek.com as well as our Facebook page.

UPCOMING EVENTS

Vermont Lake Monsters

For the third consecutive year, Vermont Federal has teamed up with the Vermont Lake Monsters to recognize Vermont student athletes for working hard on and off the field. These students, selected by their teachers and coaches, are recognized with a certificate, free game ticket, and through participation in an on-field, pre-game ceremony on Wednesday, August 7th and Sunday, August 25th. (To win tickets to the Vermont Lake Monsters game, visit Vermont Federal's Facebook page.)

Summervale

Vermont Federal is once again a proud sponsor of Summervale, a nine-week summer event series of Thursday night gatherings at the Intervale Center in Burlington. From 5:30 p.m. to 8:00 p.m., there will be live music, food tasting and children's activities. Admission to Summervale is free and attendees are asked to carpool, walk or bike due to limited parking on site. We hope to see you there!

VERMONT FEDERAL VOLUNTEER SPOTLIGHT



Michelle Hawley
Operations Analyst
Vermont Federal Credit Union

Vermont Federal Credit Union prides itself on our involvement in the communities in which we serve. There are dozens of community events and sponsorships we participate in and we encourage our staff members to get involved year-round. As we recently participated in an overnight walk with Relay for Life, there is one staff member whose involvement we would like to spotlight: Michelle Hawley, our Operations Analyst.

Michelle has volunteered through the Credit Union at "Feed Your Neighbor," which benefits the Chittenden County Emergency Food Shelf, the ReSource Drive, a clean-up day after Hurricane Irene, Spectrum's Empty Bowl dinner and Relay for Life. She is an active participant in these organizations and has captained the Vermont Federal

team at Relay for Life in 2008, 2011 and 2012. To help raise funds for the cause, she also organized Penny Wars, bake sales and car washes. After eight years of involvement with Relay for Life, she joined their finance committee this year to aid in counting and recording teams' money.

When asked what she is most proud of when it comes to volunteering, Michelle said, "knowing that my volunteering is making a difference. While I don't necessarily get to see the end result of how my volunteering helps those battling cancer—or hopefully preventing the disease—I have faith that the money raised and the education given through the event is having the impact we are hoping for."

Michelle acts as a true team player both in her work at Vermont Federal and in her volunteer work with these organizations. Though Michelle says that her free time feels very limited, she makes the extra effort to stay involved.

"I know there are those far less fortunate than I am," she stated, "so I want to give my time to those

who are in need and hopefully inspire others who have the ability to see the need and be motivated to act as well."

Vermont Federal participated in Relay for Life, Chittenden County, on June 21st-22nd in Williston, Vermont in an overnight walk to benefit the American Cancer Society. For more information about Vermont Federal's community involvement, head to vermontfederal.org



Vermont Federal's 2012 Relay for Life Team

FACTS **WHAT DOES VERMONT FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?**

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Account balances
- Transaction history
- Account transactions
- Retirement assets
- Checking account information

When you are *no longer* a member, we continue to share your information as described in this notice.

How? All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Vermont Federal Credit Union chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Vermont Federal Credit Union share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes - to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes - information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes - information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions? Call toll-free 888-252-0202 or go to www.vermontfederal.org

What We Do	
How does Vermont Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Vermont Federal Credit Union collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ● Open an account ● Apply for a loan ● Seek advice about your investments ● Make deposits or withdrawals from your account ● Show your government-issued ID <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ● sharing for affiliates' everyday business purposes - information about your creditworthiness ● affiliates from using your information to market to you ● sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> ● <i>Vermont Federal Credit Union has no affiliates.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> ● <i>Vermont Federal Credit Union does not share with nonaffiliates so they can market to you.</i>
Joint Marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ● <i>Our joint marketing partners include insurance companies.</i>
Other Important Information	
<p>For Vermont Members. We will not share personal information with nonaffiliates for them to market to you without your authorization and we will not share personal information with affiliates or for joint marketing about your creditworthiness without your authorization.</p>	