

## 2019 Board of Elections IMPORTANT NOTICE

**2 POSITIONS** on Utica Gas & Electric FCU Board of Directors are up for election. The election will not be conducted by ballot unless nominees exceed vacancies. There will be NO nominations from the floor at the annual dinner meeting. The current directors holding these seats are in good standing with the credit union and have been placed on the ballot by the Nominating Committee. Other members who would like to be considered for the open positions shall submit a brief statement of their qualifications and biographical data at least 30 days prior to the annual meeting, which will be held Friday, May 3, 2019.

## 2018 Christmas Project

Thank you members for giving to the 2018 Feed Our Vets food drive and the Salvation Army's "Angel Tree" Christmas gifts project.



"Ugly Sweater Day" December 2018  
(front row) Missy, Linda, Rhonda, Melissa, Stacie  
(back row) Lori, Marina, Deb, Mike, John

### Accounts

Share Accounts  
"Burnie" Savings Club  
TeenSense Program  
Money Plus  
Share Certificates  
Individual Retirement Account (IRAs)  
Share Draft - Checking Account

### eServices

Online Account Access:  
eStatements & Credit Scores  
Mobile Banking/Remote Capture  
Bill Pay Service  
Audio Response  
Online Resource Center  
Car Shopper Center  
facebook | twitter

### Account Services

No Surcharge AllPoint and ShareNet ATMs  
Direct Deposit  
Coin Machine  
VISA® Check Card (debit card)  
VISA® Prepaid Gift Cards  
American Express Travelers Checks  
U.S. Savings Bonds - Can be redeemed  
Wire Transfers  
Notary Public  
Signature Guarantee  
Financial Planning - online or in person  
Financial Counseling  
Online Financial Education Videos  
Foreign Currency Exchange

### Loans

New & Used Auto, Boat, Motorcycle, RV  
Personal Loans  
Phone or Fax-A-Loan  
"Skip-A-Payment" Program  
Home Equity Loans/Mortgage Loans  
Student Loans  
VISA® Credit Cards / VISA® Rewards Credit Cards  
SimplyCredit

### Closed Dates - CU Office

- Monday, January 21, 2019 - Martin Luther King, Jr. Day Observed
- Monday, February 18, 2019 - Presidents' Day Observed

It's never too late  
for a second opinion

WELLS FARGO ADVISORS  
FINANCIAL NETWORK

### Bailey Financial Group

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# NEWSLETTER

Jan-Feb-Mar 2019



UTICA GAS & ELECTRIC FEDERAL CREDIT UNION

Celebrating 82 Years...1937 - 2019



## Credit Union Hours

LOBBY: Mon - Fri - 7:30 a.m.-4 p.m.  
DRIVE-THRU: Mon - Fri - 6:30 a.m.-4 p.m.  
DRIVE-THRU NIGHT DEPOSITORY:  
Any time - 7 days a week/24 hours

## Contact Information

Mailing Address:  
215 Old Campion Road, New Hartford, NY 13413

Tel: (315) 733-1596 Toll free: 800-990-7499  
Fax: (315) 733-0228  
Web: www.ugefcu.com

online account access 24 hr/7 days a wk  
Audio Response Tel: (315) 733-1592  
access 24 hr/7 days a wk

## 4 Common Misconceptions About Roth IRA Conversions

Some people think that high-income earners aren't eligible for a Roth IRA (individual retirement account). This is not true. There was an income cap for conversions in the past, but that was removed and now anyone can convert a traditional IRA to a Roth IRA, regardless of income.

*Myth: Conversions automatically put you in a higher tax bracket.*  
It's true that pretax dollars converted into a Roth are considered taxable income, but you aren't automatically bumped into a higher tax bracket simply by converting. You can minimize the tax impact by spreading out the conversion over a few years.

*Myth: You should only convert when you're young.*  
It is true that it usually pays to convert sooner rather than later, because the sooner you convert to a Roth, the sooner you begin accumulating tax-free earnings. But everyone's financial situation is unique. Here are some scenarios that you will want to work through with your financial and tax advisers:

1. If you'll be in a higher tax bracket at retirement, you might benefit by converting several years before retirement. Your tax hit could be more than offset by savings you'd see down the road.
2. If you anticipate your income dropping significantly in a certain year (and increasing in following years), consider converting in the low income year while you're in a lower tax bracket.
3. If you knew that tax rates were going up the following year, you could save income tax by converting in the current year.

*Myth: You can only convert once a year.*  
The IRS only looks at the total amount converted every year. It doesn't matter how many conversions you initiate. Contrast this with tax-free IRA rollovers between two separate traditional IRA accounts, where you must wait a year before initiating additional rollovers from or to an account.

*Myth: Once you convert, you can't go back.*  
Unhappy with your Roth IRA conversion? You can reverse it until October 15 of the following tax year. The IRS "recharacterizes" your Roth account back to traditional IRA status and you're back where you started with no penalty.

Conversions can seem confusing, but the IRA specialists at UGEFCU are ready to help. Stop by or call us today at 315-733-1596.

## How Much Should You Save?

How much cash do I need on hand? I'm just starting out, so how much money should I try to save?

- **Start small.** Consider how much a surprise bill would have to cost to cause problems. Get started by keeping that much on hand.
- **Next, aim for one paycheck.** Having more than a paycheck's worth of income put aside will ensure you don't accidentally overdraft your account and provide some security against surprise unemployment.
- **Finally, most financial analysts** recommend keeping between six months and a year's income in an accessible savings product like savings certificates or a money market account. Any more than that should be invested in conjunction with an investment adviser.

## How to Make Goals That Stick

- 1** **Set specific goals that motivate you and are high priorities in your life.**  
*For example: Saving \$1,000 this year for your child's college education.*
- 2** **Write down the goals and post them where you'll see them often.**  
*Use positive words like "will" instead of "would like to" or "might." For example, "I will save \$1,000 a year for my child's college education."*
- 3** **Make an Action Plan and write out each step.**  
*Place a check mark next to each step as you complete them.*
  - Open a savings account
  - Figure out how much to put away each month to meet my goal.
  - Saved \$250
  - Saved \$500
  - Saved \$750
  - Saved \$1,000!**



## The RAIN Method for Buying a Car

The average cost of a new vehicle today is around \$35,000. Whether you're looking for a brand new car or a reliable used ride, follow the RAIN method: **First, meet with a member of the lending staff at UGEFCU to secure your financing. Then begin the RAIN process:**

**Research** - Check out Consumer Reports, Kelley Blue Book, to make sure the vehicle you want is reliable and right for you. Use the buyer's guide to find the wholesale price -- the price the dealership paid minus any rebates, hold-backs, or incentives. That is the price you'll use to negotiate.

**Ask** - Ask the dealership for information about the average cost of upkeep. Insurance is another big cost. Contact your insurance company to find out the rates you can expect with the vehicle you are looking at.

**Investigate or inspect** - If you're thinking of buying a new car, tell the salesperson at the dealership that on this trip you will be test driving only and not ready to make a deal yet. Will it meet your needs? How does it handle? Will you be happy for years to come?

If you're buying a used vehicle, the inspection process is very important. Check out the exterior and interior. Take it for a test drive, how it accelerates and brakes. If everything looks good, take it to a certified mechanic for a full diagnostic check. It may cost you \$100, but not only will you get a detailed report of the condition, most will provide you with a list of problem areas and the cost to fix them.

**Negotiate** - You want to get a good deal. Pick out two to three dealerships to visit. Tell the salesperson that you're checking out other dealerships and the one that offers the best deal will be getting your business. Ask them "What's the lowest price you can offer on this vehicle?" Take that number and visit your other dealerships. See which offer comes in the best. If you still aren't happy with the offers, tell them what you think is fair based on the research you have done. If they say no, move on.