



North Valley Credit Union

VOLUME 1.1
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IN PURSUIT OF FINANCIAL SECURITY

One of the things I am passionate about is doing my best to ensure that people are taking the necessary steps to adequately fund their retirement. A lot of Baby Boomers are finding out the hard way just how much money they have to set aside to create the type of retirement one desires. Government pensions are woefully inadequate to provide even the most modest retirement needs.

Effective January 1st, 2012 the basic Old Age Security pension in Canada is \$ 540.12 and is not available until age 65. The maximum Canada Pension Plan payment available to someone who has worked virtually all their life is \$ 986.67 again, if taken at age 65. Clearly, there is a pressing need for people to fund a significant percentage of their retirement incomes from their own savings.

The good news is that there have never been more investment vehicles available to help you save for retirement. We've had RRSP's available to us for a very long time and I suggest everyone utilize this tax deferral tool to the maximum extent possible. A significant addition to registered savings plans was introduced in 2009 with the introduction of the Tax Free Savings Account or TFSA. If you have never taken advantage of this new government program then effective immediately you can set aside up to \$ 20,000.00 in various types of investments and you will never have to pay tax on the earnings in the plan. The TFSA is not a tax deferral plan like the RRSP but, rather, is a tax avoidance plan that is sanctioned by the government. Contribution limits apply to both spouses so a couple can effectively invest \$ 10,000.00 per year without ever having to worry about paying a nickel in income taxes on the earnings that are sheltered within these plans. My suggestion is not to use the TFSA like a piggy bank that you might be tempted to raid every now and then for frivolous spending but to treat it like another capital accumulation vehicle for your retirement. As an example, if a couple both contributed the maximum \$ 5,000.00 per annum for just ten years they would find that they had well in excess of \$ 100,000.00 in their combined TFSA accounts and these proceeds can be withdrawn systematically over a period of time without attracting any tax upon withdrawal. Financial security can be a very elusive goal but by using the tools that are available to you today and by diligently and consistently contributing to them, you too can have a rich and fulfilling retirement.



ROY SPENCE
CEO & General Manager

ESTERHAZY BRANCH

516 MAIN STREET
9:30 am - 5:00 pm
Monday - Friday
745-6615

STOCKHOLM BRANCH

116 OHLEN STREET
9:30 am - 12:00 pm
&
1:00 pm - 5:00 pm
Monday - Friday
793-2171

TOLL FREE
1-866-533-6828 (NVCU)

NVCU Community Donations



Pictured at left from North Valley Credit Union are Donna Overland, Chair of the Board of Directors and Roy Spence, CEO & General Manager with Dave Moore, Vice-President of the Royal Canadian Legion Branch #249. NVCU donated \$2,500.00 to the Royal Canadian Legion for a new chair lift.

Roy Spence
CEO & General Manager
North Valley Credit Union



Stay Warm Initiative



North Valley Credit Union launched its annual "Stay Warm Initiative." NVCU is committed to ensuring the warmth and safety of young children in our community. This year NVCU donated 55 toques and hats to the Esterhazy Community Daycare. Pictured above are children of the Esterhazy Community Daycare with their educators, and Roy Spence, CEO & General Manager of NVCU, and Kevin Zazula, Investment Advisor for NVCU.

NEW INVESTMENT OFFER FOR A LIMITED TIME ONLY

As a special offering to our members, customers and clients we will be giving you the opportunity to earn a 10-year Canada Bond Rate on a 37-month non-redeemable term deposit.

These investments will be priced daily and the interest rate will be fixed for the entire 37-month time period.

This investment offering qualifies to be placed within an RRSP, TFSA or your regular non-registered account.

As with all other funds on deposit with North Valley Credit Union this investment will be fully guaranteed by the Deposit Guarantee Corporation of Saskatchewan.

This offer is for a limited time only and is subject to withdrawal without notice.





North Valley Credit Union congratulates Investment Advisor, Kevin Zazula on attaining the prestigious FCSI designation.

FCSI, is the pinnacle credential and highest honour in Canadian financial services. Its stringent experience, education and ethics requirements make it one of the most challenging credentials to obtain and maintain—making FCSIs the most valuable leaders in the industry. Kevin also holds the CFP, and FMA financial professional designations.

Golden Rules of RRSPs and TFSAs

Save Automatically

If you act on only one idea here, make it this one. Because the difference between retirement success and failure isn't how much money you make, or how smart you are, but how well you conquer the all-too-human tendencies to procrastinate and under-save. Invest monthly contributions automatically each month to your investment account.

Make Maximum Contributions to Your Investment

Contributing your maximum is essential to taking full advantage of the RRSP and TFSA programs.

If you don't have the money, consider an RRSP loan or using a line of credit. Borrowing rates are at an all time low. You'll pay interest, but the compounding growth of your money over the long term will far offset the interest costs.

Another smart move — use your tax refund to pay down the amount you borrowed.

Start Early

"The Universal Law of Saving" — start early. You'll get time and compounding working for you. A person making \$50,000 who wants a retirement income of \$40,000 at age 65, needs to put aside about 6% of their salary each year, if they're starting to save at age 23, but 20% if they're starting at age 40.

Get Professional Advice

Talk to an advisor who holds a professional designation. A couple designations to look for are:

CFP, which is the industry gold standard in financial planning. CFP professionals are the largest identifiable body of licensed financial planners in Canada with over 17,500 individuals meeting the strict standards of this designation.

FCSI (See Description to Left)

Quick Facts on Saskatchewan Credit Unions

- 61 credit unions in Saskatchewan
- 303 locations and 271 communities served across the province
- In 161 communities the credit union is the only financial institution
- Employ more than 3,500 people
- 520,000 members received financial products and services
- More than 530 board members are locally elected by members
- Across Canada there are 386 credit unions in 1,734 locations serving 5.1 million members
- Autonomous financial institutions owned and controlled by members
- Shaped by community needs
- Range in asset size from \$14 million to \$3.6 billion
- Total assets reached \$15.6 billion as of September 2011, representing 36% of the market share
- Lending amount exceed \$10 billion
- All deposits are fully guaranteed through the Credit Union Deposit Guarantee Corporation

NVCU Staff Updates

We are pleased to introduce Renata Briggs!

She is our newest Member Service Representative. Renata joined our team on December 12th, 2011.

She has great customer service skills and she is a joy to have around the office.

Next time you drop into the office make a point of saying hello to Renata.

Welcome Renata from all your team mates at North Valley Credit Union.

The North Valley Credit Union Annual Meeting will be held on April 17, 2012 at the Royal Canadian Legion.