



First Choice
Federal Credit Union

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The New Direction - January 2022

A Letter from our CEO - I don't really even like Phish

I hope that you and your family had a wonderful, peaceful, and healthy holiday. Let us corporately join together and wish that 2022 is so much better than the first part of this decade.

Peace seems to be in short supply for us sometimes. With all of the hustle and bustle of the holiday and life in general, we rarely have the opportunity to just relax and enjoy life. It seems that some are determined to steal our peace... along with anything else they can get a hold of.

I have received a TON of texts and phone calls related to my Amazon account being hacked and them wanting to confirm my shipment. Texts from my Huntington Account being taken over. Another came in from my Chase Rewards Debit card having all of my points drained. All I needed to do was follow the link and log into my account by punching in my numbers and they would fix it for me.

... Here is the thing. I don't have a Chase or Huntington Bank account. While I do order off of Amazon, I didn't put through a recent \$600.00 purchase. If I didn't watch, or I did have those types of accounts, I could have been tempted to give my information away.

Those types of messages are called "phishing scams" and unfortunately it is a great way for scammers to get you to give up information on your accounts.

They don't stop there. There are all kinds of socially engineered lists on Facebook or other social media platforms for you to "play games" and get to know each other better. In reality, you could be giving up private information that can be used for passwords or security questions. So be wary the next time you answer a big list answering questions like, "First pet's name"; "Where you met your honey"; or "The mascot of your high school

team." You may be inadvertently giving away your security.

Scammers spend lots of time and energy to dupe you and gather this information. Please be careful with your information. If you are ever in doubt. Pick up the phone and give the bank, or entity a call or go to the actual site and log into your own account, not through the link that



you were sent.

To protect yourself, consider doing the following for yourself:

- **Set strong passwords** - Almost all companies require a capital, lowercase, number, and perhaps a special character. However, not all passwords are created equal. Password#1 is not as strong as Zzug&le\$t3.

- **Set stronger privacy settings** on your online

browser or social media. Not everyone should know what you are up to.

- Be careful on any site that offers **free gifts or prizes in exchange for credit card information**. Free trials that expire are one thing, but those that guarantee no charge, but still collect the information are another.
- **Verify the company you are going to send money to before you send it online**. Just a little bit of research is all that is needed to make sure that the company is viable. Many times a simple Google search can tell you a company's reputation and history of fraudulent claims.

Unfortunately, fraud is not a victimless crime. It forces companies to increase prices to meet reserve expenses as each year the numbers seem to keep increasing. This causes all of us to pay more for everything. Let's all do our part to help end this negative trend.

Board of Directors

Pamela Miller	President
Brian DeVivo	Vice-President
Russ Carley	Treasurer
Marilyn Wehr	Secretary
George Fiacco	
Jenny Flannery	
Michael Vatter	

Meet Our Staff

Michael Vatter	CEO
William Wehr	CFO
Missy Currie	
Maureen Dierfield	
Erica Holian	
Susan Canary	
Kathy Lorello	
Mary Lou McPherson	
Connie Million	
Lillian Charles	
Christopher Litrenta Jr	
Carley Price	
Nancy Linton-Reed	
Rebecca Rice	
Charlotte Sonntag	
Bonnie Williams	

Hours of Operation

Monday - Friday (All Offices)
9:00AM - 4:30PM
Drive-Thrus open at 8:30AM

Saturday (Neshannock Office)
9:00AM - 12:00PM

Proud Member of



Accounts Federally insured

When aren't we changing things?

2,500 years ago the Greek Philosopher, Heraclitus penned that phrase. More than 2,000 years later Benjamin Franklin added to it by saying, "Change being the only constant in life; ones ability to adapt to those changes will determine your success in life."

I have a great mentor that states, "If you stop changing and growing, you better start getting ready for your merger."

We have no intention of being merged any time soon, so as a result, we are constantly looking for ways to improve this credit union for our membership and for the next generation of members.

2022 will be no different. We have exciting plans in-store that we hope to roll out soon. We hope you will be as excited to receive them as we will be to deliver them to you.

Let us take a look back at what we were able to add in 2021 in case you may have missed anything. We were able to:

- Relunched our Online banking giving you:
 - ⇒ A more professional presentation and easier to understand view of your finances
 - ⇒ The ability to transfer to other member's accounts if you know their member number
 - ⇒ Better access to text or e-alerts
- Our relaunched mobile app was light years ahead of our old one and gave you:
 - ⇒ A more professional presentation of your finances

THE ONLY
CONSTANT
IN LIFE IS
CHANGE

- ⇒ Remote Deposit
- ⇒ E-statements on your phone
- ⇒ Bio-metric sign-in capabilities (Face Recognition or Fingerprint Scanning support)
- ⇒ Check images available in app
- ⇒ Set automatic transfers
- We re-opened our lobbies! (We missed you so much.)
- We added new staff - in anticipation of some exciting changes, we are attempting to onboard some new talented representatives to get us ready for the future.
- We are upgrading our Core Software System. We have spent a long time training for this moment and have spent a long time in rolling out this new system. We appreciate your patience as we get used to the new "language" we are speaking in the office and work through those unexpected bugs and gremlins. We are doing this so that we can add even more to our relationship in the future.

We are so very excited for this year and all the things that we have planned to happen to enhance your membership experience.

If there is ever anything that you would like us to consider adding to make your life easier, please let us know. We love hearing from our members.



Politics, Religion, Pandemic, Masking, Who Really Shot JFK

With the title of this article I was really hoping to spout my opinions as facts and alienate the entire membership. **No I am just kidding.** I want to avoid that at all costs. In fact, I am going to do my best to talk about a very sensitive topic WITHOUT getting into the weeds. I am going to attempt to STAY IN MY LANE and talk about Finances. Although they do not exist in a bubble and are heavily influenced by world events, political forces, pandemics, and the like, I am not making any statement for or against these factors and will stick to the facts... or the most likely scenario as we sit in January 2022.

Now that my Disclaimer is done. The real title of this article is:

It is Time

The Federal Reserve has stopped buying US Treasuries. This will lead to an increasing pressure on inflation. In an attempt to help control that inflation, the Federal Reserve has announced it's intentions to raise the Fed Fund Rate for the first time in many years some time in the late 2nd quarter of 2022. Many experts believe this to be June.



What does this mean to me?

If you have any loans that are currently still tied to Prime (commonly Variable Rate Home Equity Lines of Credit or ARM—Adjustable Rate Mortgage Loans) the payment will be going up. Most people have already refinanced away from these types of loans at this point. If you have not. **It is time.**

This also means that both interest rates on savings and lending rates will both begin to creep up. They will most likely lag behind the full increase of the Federal Reserve. This is good news for Savers (don't get too happy yet), and not great news for Borrowers.

If you are putting off getting a vehicle... or waiting to see how many more miles you can pack on that car. You may want to consider... **It is time** to think about taking advantage of low rates.

Mortgage rates are the most sensitive to the Federal Reserve changes, so one could expect an "overreaction" from the market as soon as the increase is announced.

Mortgage rates will probably even-out and adjust down, but not fall to where they are now.

Some economists believe that the Federal Reserve will announce a second round of increase some time in the early 4th Quarter of 2022. Some believe this to be the 1st Quarter of 2023.

When that happens, just like your favorite shampoo, the directions say, Lather, Rinse, Repeat.

According to many Economists, 2023 is likely to see at least one, if not two, similar Federal Reserve Rate increases. By 2024, we can anticipate Reserve Rates climbing from its current level of near 0% to 1.25-1.50%.

Putting that in context, it was 2018 since the Fed Rate was at that level. It had rebounded from a near 0% level which it had been from 2008-2015.

Stating that another way. Our last recession was in 2008 after the Mortgage-backed Investment Crisis when the Federal Reserve cut rates to near zero level. They stayed at near zero level for 7 years (2015) and increased over 3 years (2018) to a height of 2.50%.

In response to the global pandemic the Federal Reserve cut falling rates back down to zero and will have left them for 2 years at zero and is anticipated to raise them to nearly 1.50% in 2 years of recovery.

Still lost?

You had me until JFK... What does all this mean to you? **The economy is likely to shift.** There will be good and bad things for a lot of people. It has been such a great market to sell a house for so long, it is going to swing back to a buyers market for a while. Rates will go up, but values are likely going to come down. Buying vs. Leasing will come back into style for those that are willing to keep the car and take advantage of the value. And as always good healthy spending habits are going to become more important. These are all things that the credit union is here to help you accomplish.

In a changing economy, credit union membership increases because of our value and consultative approach to finance is what so many people need. If you haven't discovered all that we have to offer and how we can better serve you... **It is Time.**



Laying out your options

He did it AGAIN! Look there are excuses you can make for him... supply line issues; rising cost of materials; continued elven labor issues; but Santa went out and broke the budget AGAIN!

So you don't spend 2022 in debt up to your eyeballs lets look at a few options for you. Let's assume you owe \$2,000 on your credit card, at an average annual rate of 17.89% on that credit card. Here are some options:

Credit Card - Minimum Payment: If you stop using that credit card completely and only pay the 3% minimum payment required on that card. It would take you 9 years and 9 months. Which means you will pay off Christmas 2021 in September of 2030. Additionally, even though you spent \$2,000 on gifts your payback over the years will be \$3,538.03.

Credit Card - minimal spend, with equal parts spend— So in this scenario you have to keep using the card, but you only charge \$100 a month on it and pay \$100 a month. So in theory you would think after the same 9 years and 9 months you would have roughly what... \$2,000 on it? No way. It is actually \$10,644.77. Interest is a bummer.

Credit Union Loan - You could take out a 22 month loan for \$2,000 at 5.99% with a payment of \$96.45 payment. You would pay a whopping \$121.90 in interest or an average of \$5.54 a month. And if you paid it off early, it would be even less... there is **NEVER** a fee to pay us off early here. For less than \$100.00 a month you are debt free in less than 2 years. Its kind of a no-brainer.



Loan & Savings Rates

Loan Rates in APR*, Savings APY**
Effective 1/1/22

Rates start as low as...

Personal:
Up to \$4,000 5.99%
Up to \$10,000 9.99%

Share Secured: 2.24%

Untitled Autos:
Up to 40 Mo. 1.74%
41-52 Mo. 1.87%
53-64 Mo. 1.99%
65-76 Mo. 2.49%
77-88 Mo. 3.24%

Used Autos: 2022-2020
Up to 40 Mo. 1.99%
41-52 Mo. 2.12%
53-64 Mo. 2.24%
65-76 Mo. 2.74%
77-88 Mo. 3.49%

Used Autos: 2019-2018
Up to 52 Mo. 2.24%
53-64 Mo. 2.49%
65-76 Mo. 2.99%

Used Autos: 2017-2016
Up to 52 Mo. 2.49%
53-64 Mo. 2.74%
65-76 Mo. 3.24%

2015 & older
Up to 48 Mo. 5.24%
Up to 60 Mo. 5.99%

Home Equity: (1st Position)
1-5 years 2.99% Fixed
6-9 Years 3.24% Fixed
10-14 Years 3.49% Fixed
15 years 3.99% Fixed

(2nd Position)
1-5 years 3.49% Fixed
6-9 Years 3.74% Fixed
10-14 Years 3.99% Fixed
15 years 4.49% Fixed
Members pay costs

** Rates impacted by credit score.

ALL RATES REFLECT A 0.25% DISCOUNT FOR AUTO PAY

For a Mobile Deposit... Sign like this... (except with your name)



VISA Cards - No Annual Fees
Platinum - 12.90% Fixed
Rewards - 15.90% Fixed

Share Accounts 0.100%
Loan Collateral 0.100%
IRA Accounts 0.750%
Unless tied to a CD

Club Accounts
Christmas Club 0.200%
Vacation Club 0.200%

Escrow Accounts 0.100%

Interest paid on share accounts
with a balance > \$100.

Inquire about rates for Motorcycles, ATVs,
RVs, Watercraft, and Other Titled Vehicles.

Anyone who lives, works, volunteers, or attends church or school in Lawrence County is eligible to become a member and take full advantage of belonging.