



Michigan First MoneyWise

Winter 2020

Thoughts From 2019!



I firmly believe that continued growth is the best way to describe all that has happened at the credit union during 2019. Our primary focus is on delivering the highest quality products, technology, and service, and that has generated an increase in memberships and business conducted with the credit union. Our 450+ person team works day and night to make

sure members are satisfied and receive great value from their membership.

Here are some of the growth actions and success highlights from 2019:

- We now have over 160,000 members, and our total assets are greater than \$975 million. This represents a growth of over \$50 million during the year.
- More than \$150 million in consumer loans were granted to members.
- Our 365 Live Call Center continues to serve members around-the-clock, with total calls for the year exceeding 500,000.
- More than 97% of members were served within seven minutes at our teller lines.
- Almost 90% of members visiting our financial service representatives received service within 10 minutes. This represents close to 140,000 visits to our branches.
- We expanded even further this year, opening Walmart branches in Wyoming, Comstock Park, Grand Rapids, and Sterling Heights. We also added a new Kroger branch in Ypsilanti. We now have ten branches inside Kroger stores and nine in Walmart stores.

- Michigan First Insurance Agency continues to be the fastest growing credit union insurance agency in the country. Our purpose is to help members find reasonable prices on insurance of all types. We recognize that not all members can get lower prices all the time, but we encourage them to keep trying as circumstances and carriers can frequently change. We have achieved total annual premiums of over \$8 million in just three years of being in business.
- The Michigan First Mortgage team, a division of the credit union, has grown significantly during the year. We opened a new location in downtown Plymouth and generated total loan originations of \$230 million, an increase of \$80 million from last year.

During 2020, expect to see:

- Efforts to reduce pricing for members.
- Seminars and other educational resources focused on credit score improvement.
- At least one more in-store location – a Kroger branch in Sterling Heights.
- Continued growth for Michigan First Mortgage and Michigan First Insurance Agency.
- More features added to our mobile app, which will make on-the-go banking even easier.

For many years now, you have continued to provide us with additional business, referrals, and great loyalty. Thank you for the opportunity to serve you; we truly view it as a privilege. On behalf of the Board of Directors, Supervisory Committee, and the entire Michigan First team, I wish you a safe, healthy, and prosperous 2020.

Michael Poulos

Michael Poulos, President/CEO

Fraud Prevention

As the world becomes increasingly digital, you're at greater risk of falling victim to fraud. Keeping your identity and money safe is our top priority, and it should be yours too. Here are some ways you can help protect yourself.

Enroll in Online Banking and Michigan First Mobile

Through our online and mobile banking services, you can quickly and securely manage your accounts. We use industry-leading security technology to ensure your information is protected. By using these services, you can safely pay bills, view account balances, deposit checks, make transfers, and more.

Card Controls and Text Alerts

If you use the Michigan First mobile app, you have the ability to turn your debit and credit cards on and off with the touch of a button. Protect your hard-earned money by keeping your card turned off when you're not using it, and easily turn it back on when you want to make a purchase.

Additionally, you can sign up for email and text alerts through online or mobile banking. Setting these alerts enables you to monitor your card activity and spot unauthorized purchases.

Beware of Suspicious Emails

Don't click on a link or open an email attachment, even if it appears to be from a friend or co-worker, unless you're expecting it or you're absolutely sure you know what it contains.

Watch out for email subject lines or emails with a generic message like "check this out" or "thought you'd be interested in this." Make sure you know who sent the email before you open an attachment or click on any links.

Watch Out for Online Scams

Phishing is when an imposter tries to trick you into providing your personal information. They might even impersonate Michigan First in an email, phone call or text, asking you to confirm your information or saying you've won something—and it might look legitimate. **Examples include:**

You get an email that appears to be from a reputable company you know or do business with, like Michigan First. The email asks you to reply or go to a website that looks like **MichiganFirst.com**, where you'll be asked to give your username, password, account number, personal identification number (PIN), Social Security number or other personal information.

You get a voicemail or text message telling you your bank account will be closed, frozen or terminated unless you call or go to a website, where you'll be asked to give personal information.

Unless you initiate the conversation, Michigan First will **never** contact you via phone, text or email and ask for any of the information below:

- Passwords
- PIN number
- CVV (three-digit code on the back of the card)
- Full debit or credit card number
- Full social security number
- Full account number

Review Your Credit Report

At least once a year, read through your credit reports carefully. You can request a free annual credit report from each of the three national credit reporting agencies – Equifax, Experian, and TransUnion – even if you don't suspect any unauthorized activity on your account.

For your free annual report, go to **AnnualCreditReport.com** or call **1.877.FACTACT (1.877.322.8228)**.

Protect Your Devices

Having a password on your devices is a good start, but you should also install the latest anti-virus and firewall software. When shopping, look for software from reputable sources that scans incoming communications and files for viruses, and removes or quarantines viruses and updates automatically. This simple task can aid in protecting your files from fraudsters.

Keep Your Information Private

Above all, make sure you keep your personal and financial information private.

- Do not share your passwords with people
- Do not let your friends or family borrow your credit and debit cards
- Report lost or stolen checks and debit/credit cards to your financial institution
- Do not print your driver's license, social security number or phone number on your checks
- Do not type in your passwords in public places, you never know who may be watching
- Enroll in two-step authentication processes on your mobile and online devices (email, phone, bank accounts, social media accounts, etc.)

Remember, Michigan First will never call you to request personal or account information. If you receive a call from someone claiming to be from Michigan First, please hang up the phone and call us back at **800.664.3828**. Do not answer any personal questions or give any information (including account number, name, address, social security number, passwords, security codes, PINs, etc.) to someone that calls you on the phone, emails or texts you.

Paying Off Your Home: 15-Years vs. 30-Years

Your dream home has just come up on the market. You're comfortable with the selling price, you speak with your mortgage loan officer, and everything is in order. The only thing you need to decide is if you should take out a 15 or 30-year loan. There are pros and cons to both. Your goals and financial road map will help guide you into making the right choice for you and your family.

Employment, income, assets, credit, and debt are evaluated to determine your risk factor. If your debt ratio is elevated, you may only qualify for a 30-year term because a 15-year mortgage could increase your monthly payment past the allowable debt threshold. However, if you meet all the requirements for either loan, you have a decision to make. Your age can often assist you with your decision. If you are young and years from retirement, a 30-year mortgage makes a lot of sense. You'll have a lower payment which will free up money for you to invest in other ways. If you have children, you could start contributing to a college savings plan or invest in your retirement. Having the lower payment that is derived from a 30-year loan may be less stressful financially, but if you're older and have substantial assets allocated for retirement, you may benefit from paying off your home in a shorter time frame. Once retired, it would be nice to no longer have a mortgage payment!



The following example is a \$200,000 loan with a rate of 3.75% over 30 years. The monthly principle and interest (P&I) payment is \$926. If you chose the 15-year loan, you would have a lower interest rate, say 3.25%, but your monthly P&I payment would be \$1,405 per month. A difference of \$479 more per month. While your payment is much lower on the 30-year loan, you pay more interest over the life of the loan because you are making 180 more payments. Using this example, you would pay \$133,443 in interest. If you decided on the 15-year term, you would only pay \$52,960 in interest; significantly less than that of the 30-year loan.

A 15-year loan may be the right decision if you have a good financial portfolio in place, but make sure you take a look at the big picture. Halfway through your 30-year mortgage, you would still owe \$127,365. If you took the savings of \$479 and made monthly payments to a Roth IRA that had a 6% average rate of return, you could be looking at a return of \$456,506 at the 30-year mark. Your house would be paid off and you would have close to a half million dollars saved. Another advantage of the 30-year loan is that you would have liquid money available in case of an emergency. The money paid into your home isn't liquid. In order to get to it, you must refinance or sell the home.

Make sure you go over your financial situation with your loan officer before making the decision. Our team will help you decide on a solution for you and your family. Call **877.312.9033** to get started.

Experience Life Event Loans

Your life is unique; made up of individual experiences and personal moments that are different from others around you. So if you're in need of a loan, why select a generic, pre-packaged option that's the same for everyone? Michigan First is here to learn about your specific situation, and tailor a solution just for you. Through happy times, like getting married or celebrating high school graduation, we can help. And when it comes to the unexpected, like planning a funeral or financing a major home repair, we have you covered.

Our team is fully dedicated to providing exceptional, personalized service, and that includes helping you navigate life's moments. **Some examples of what we can offer include, but are certainly not limited to:**

- **Life Stage:** wedding, baby, college, new home
- **Unexpected Event:** medical procedure, passing of a loved one, job loss, auto repairs
- **Living Your Best Life:** home updates, travel, new vehicle, boat

Let us create a loan experience that best suits your current needs. Visit **MichiganFirst.com** or call **866.933.6333** to connect with our lending team today!



Free Financial Education

Have you looked into our Money Mentor program? Money Mentor provides free financial education presentations to groups of 15 people or more who are just starting their financial journey.



Presentations offer a crash course on subjects like budgeting, managing credit, and the difference between banks and credit unions. If you're a high school teacher, a college professor, a coach with a team, or if you're a young adult in a club, fraternity, or another type of group, consider Money Mentor for your next event. Presentations are about an hour long and we come to you. It doesn't get any easier than that!



To request a presentation, go to MichiganFirstMoneyMentor.com or contact program coordinator, Vanessa Carr at vcarr@michiganfirst.com. In addition to presentations, Money Mentor also publishes weekly videos, blogs, and tips on Instagram and other social media platforms. Follow us today!



365 Live Call Center:
800.664.3828
Call us 24 hours a day,
7 days a week, 365 days a year

24-Hour Loan Center:
866.933.6333

 MichiganFirst.com

 MichiganFirst.com/Facebook

 MichiganFirst.com/Twitter

 MichiganFirst.com/YouTube

Michigan First Credit Union is federally insured by the National Credit Union Administration.

Routing & Transit Number: 272078365



Annual Meeting and Board of Directors Election

Save the Date for our Annual Meeting

Thursday, April 23

Located in The Mint at Michigan First Conference Center

27000 Evergreen Rd.
Lathrup Village, MI 48076

In accordance with the credit union's bylaws, the Nominating Committee has nominated the following individuals for three-year terms on the Board of Directors:

- Deirdre Scott
- Ines De Jesus
- Dandridge Floyd

As stated in the bylaws, Michigan First members in good standing may place their names in nomination. Petition forms, along with instructions, may be obtained by contacting Christine Wismann, Senior Executive Assistant, at **248.443.4602** or cwismann@MichiganFirst.com. These forms require the valid signatures of one percent of the total membership, each of whom must be a member in good standing. The completed forms must be returned in person by 5 p.m. on February 3, 2020, to the President/CEO's office at the Evergreen branch.

Special Offers for New and Current Experience Michigan First Rewards® Visa® Cardholders

New cardholders can receive 3.99% annual percentage rate (APR) on eligible balance transfers.¹

New Visa® credit card accounts with an open date of January 1, 2020 through March 31, 2020 can receive 3.99% APR for six months after the 1st qualifying balance transfer post.

This low introductory rate is just one reason to open a credit card. Additional benefits include:

- No annual fee or balance transfer fee.
- An attractive annual percentage rate (APR).
- Earn rewards points for using our credit card and extra points for spending in Michigan.
- Redeem rewards points for gift cards, merchandise, travel and more.
- Ability to set card security controls and alerts.

Cardholders with active accounts opened prior to January 1, 2020 can also enjoy 3.99% APR on balance transfers.¹

Take advantage of this low rate and transfer high interest balances from other cards to save money on your payments. Any balance transfer posted to your account between January 1, 2020 and March 31, 2020 will receive 3.99% APR through and including the 7th monthly statement after the 1st qualifying balance transfer.

If you're interested in a Rewards credit card or simply want to learn more about this offer, call our 24-hour loan center at **866.933.6333** or visit **MichiganFirst.com**.

¹Qualifying balance transfers must post to your account between January 1, 2020 and March 31, 2020. Beginning with the 8th statement after the 1st qualifying balance transfer, any remaining balance from this promotion will revert back to the standard rate for the card. This offer applies to new balance transfers only. 3.99% APR promo rate applies to balances from a non-Michigan First credit card. All balance transfers are subject to credit approval. Account must be in good standing. Terms and conditions subject to change. Some restrictions may apply. Merchandise transactions and cash advances are excluded from this promotional offer. Limited time offer.



Get Your Maximum Refund and Special Savings on TurboTax

Tax time doesn't have to be stressful! With TurboTax, you'll get your biggest possible refund fast and your taxes done right. Plus, credit union members save up to \$15 on TurboTax federal products, all through tax season.

TurboTax makes it easy to find the best solution for your unique tax situation. Simple filer? Homeowner? Independent contractor, freelancer or side-gigger? TurboTax has a product that is right for you.

File with confidence, knowing that TurboTax guarantees 100% accurate calculations and runs thousands of error checks as you go. And if you need help, TurboTax has it: from answers online at any time, to unlimited advice and a final review from a CPA or Enrolled Agent with TurboTax Live.

Save on TurboTax today! Try it for free and pay only when you're ready to file.

Visit <http://turbotax.intuit.com/lp/yoy/guarantees.jsp> for TurboTax product guarantees and other important information. Limited time offer for TurboTax 2019. Discount applies to TurboTax federal products only. Terms, conditions, features, availability, pricing, fees, service and support options subject to change without notice. Intuit, TurboTax and TurboTax Online, among others, are registered trademarks and/or service marks of Intuit Inc. in the United States and other countries.



Changing Jobs? Take Your 401(k) and Roll It

If you've lost your job or are changing jobs, you may be wondering what to do with your 401(k). You are entitled to a distribution of your vested balance, which always includes your own contributions (pretax, after-tax, and Roth) and typically any investment earnings on those amounts. It also includes employer contributions (and earnings) that have satisfied your plan's vesting schedule. It's important to understand your particular plan's vesting schedule because you'll forfeit any employer contributions that haven't vested by the time you leave your job. Your summary plan description (SPD) will explain the vesting schedule, which can be provided to you by the plan administrator. If you're on the cusp of vesting, it may make sense to wait a bit before leaving.

Don't Spend It! Roll It Over.

While this pool of dollars may look attractive, don't spend it unless you absolutely need to. If you take a distribution, you'll be taxed at ordinary income tax rates on the entire value of your account, except for any after-tax or Roth 401(k) contributions you've made. And, if you're not yet over the age of 55, an additional 10% penalty may apply to the taxable portion of your payout. Your employer must also allow you to make a direct rollover to an IRA or to another employer's 401(k) plan.

Should I roll over to my new employer's 401(k) plan or to an IRA?

Assuming both options are available to you, there's no right or wrong answer to this question. It's best to have a professional assist you, since the decision you make may have significant consequences—both now and in the future.

Reasons to roll over to an IRA

You generally have more investment choices with an IRA than with an employer's 401(k) plan. You can typically move your money around to the various investments offered by your IRA trustee, and you may divide up your balance among as many of those investments as you want. It can also allow you to have IRA accounts with more than one institution for added diversification. An IRA may give you more flexibility with distributions, while your options in a 401(k) depend on the terms of that particular plan.



Reasons to roll over to your new employer's 401(k) plan

If you roll over your retirement funds to a new employer's plan that permits loans, you may be able to borrow up to 50% of the amount you roll over if you need the money. A rollover to your new employer's 401(k) plan may provide greater creditor protection than a rollover to an IRA. Most 401(k) plans receive unlimited protection from your creditors under federal law. In addition, you may be able to postpone required minimum distributions.

For more information about saving for retirement and 401(k) rollovers, contact Scott Brady at **248.443.4234**, email: **sbrady@michiganfirst.com**.

The investment and insurance products recommended, offered or sold by Capital Asset Advisory Services and its representatives are not Credit Union shares or deposits, are not federally-insured by the National Credit Union Share Insurance Fund, are not obligations or guaranteed by Capital Asset Advisory Services or the Credit Union, and involve investment risks, including possible loss of principal.



Important 2019 Year-End Tax Information

Your 2019 year-end tax information was included on the last page of your December 31, 2019 statement (or e-statement) from Michigan First.

MoneyPerks and Fees for 2020

MoneyPerks is a member benefit that can save you money through waived fees and better rates. You can earn points for doing everyday things like paying your loans, using e-statements and direct deposit. **Here's a sample of ways you can use MoneyPerks points:**

Type of Fee:	2020 Fee	2020 Redemption Points
Account History (At Branch)	\$5.00	1,000
Account Number/Loan Change	\$50.00	6,000
Card Replacement (ATM/Debit/Credit)	\$12.00	3,000
Cash Withdrawal (Service Center)*	\$4.00	900
Check Copy	\$5.00	1,000
Checks (1 standard Michigan First box)	\$14.00	3,000
Credit Card Overnight Delivery Fee	\$47.00	6,000
Extension Agreement	\$40.00	5,000
ID Safe Choice		5,000
Minimum Balance Fee	\$3.00	800
Money Order	\$3.00	800
MoneyNow	\$31.00	4,000
Non CO-OP ATM Fee	\$2.50	700
NSF/Overdraft	\$31.00	4,000
NSF/Loan Payment*	\$31.00	4,000
Official Check	\$3.00	800
Official Check Copy	\$5.00	1,000
Official Check Stop Payment	\$31.00	4,000
Outgoing Wire Transfers	\$25.00	3,000
Outgoing Wire Transfers – International	\$50.00	6,000
Over phone balance transaction fee	\$1.00	250
Overdraft Transfers from Savings*	\$4.00	900
Personalized Card (when available)	\$15.00	2,000
PIN Re-Order	\$2.00	500
Return ACH	\$31.00	4,000
Safe Deposit Box 10x10 (Annual Fee)*	\$120.00	17,000
Safe Deposit Box 3x10 (Annual Fee)*	\$55.00	7,000
Safe Deposit Box 3x5 (Annual Fee)*	\$40.00	5,000
Safe Deposit Box 5x10 (Annual Fee)*	\$90.00	12,000
Sales Draft Copy	\$5.00	1,000
Skip-a-Pay	\$40.00	5,000
Skip-a-Pay – Home Equity	\$60.00	7,000
Statement Copy	\$5.00	1,200
Stop Payments	\$31.00	4,000
Undeliverable Mail	\$5.00	1,000

Type of Fee:	2020 Fee	2020 Redemption Points
Non-Member Transactions – Michigan First Machines*	\$5.00	N/A
CD Early Withdrawal Penalty*	90 days interest through 1 year CD, Over 1 year – 180 days interest	N/A
Levies and Garnishments*	\$100.00	N/A
Non-Member Check Cashing*	\$10.00	N/A
Safe Deposit Lost Key*	\$20.00	N/A
Safe Deposit Box Drilling*	\$200.00	N/A

Certificate bump +0.25% – 5,000 per certificate	N/A	7,500
Certificate bump +0.50% – 7,500 per certificate	N/A	10,000

Loan discount -0.25% – 5,000 per loan	N/A	7,500
Loan discount -0.50% – 7,500 per loan	N/A	10,000
Loan discount -0.75% – 12,000 per loan	N/A	15,000

***New fee effective January 1, 2020**

Need Money for College? Enter our Scholarship Competition!

Our annual scholarship contest kicks off on February 26, and we're excited to once again offer students a chance to win some serious cash for college! **In order to enter the competition, students must have their own Michigan First account opened by January 1.**

Students can win up to \$5,000!

We're excited to award one \$5,000 gold scholarship, one \$3,000 silver scholarship, and two \$2,500 bronze scholarships to the top four winners in both the video and essay categories. We're also giving away multiple \$1,000 scholarships to eligible students!

To enter the contest, students are asked a question which must be answered via video or essay submission. The scholarship question will be posted February 26 on **MichiganFirst.com** and participants have until March 29 to enter.



Built and Brewed Coffee Bar

Have you tried the new Built & Brewed in Detroit coffee bar inside the lobby of our headquarters? Doing your banking with us just got a little bit sweeter. The Built & Brewed in Detroit coffee bar features locally roasted coffee, fresh baked pastries, smoothies, and sandwiches. The coffee bar is open Monday through Friday from 7 a.m. to 3 p.m.

365LINE
our 24-hour call center
800.664.3828

Although our branches are closed, you can log in to our mobile app to do your banking anytime, anywhere! If you need to speak with us, call:

■ Presidents' Day
Monday, February 17
All branches closed

■ Martin Luther King, Jr. Day
Monday, January 20
All branches closed

■ New Year's Day
Wednesday, January 1
All branches closed

Holiday Reminders



27000 Evergreen Road
Lathrup Village, MI 48076