

# MEMBER NOTES

News for Members of Michigan Educational Credit Union

OCTOBER 2022



Michigan Educational  
Credit Union

## MISSION STATEMENT

*"To provide members with  
quality, comprehensive, cost  
effective financial services"*

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## Need A New Ride Before Winter?

If you've been playing the waiting game to purchase a vehicle in recent months (or even years), there may be a light at the end of the tunnel. According to the car shopping app CoPilot, the used car market has finally reached its peak as prices fell in August after two record-breaking years of inflation.

Need another good reason to opt for a used vehicle? MECU offers the same low rates for new *and used* vehicles as old as 1998. We can even pre-approve you for your loan to help you focus on other important aspects of the car-buying process.

For current auto loan rates and more information, go to [www.michedcu.org](http://www.michedcu.org). It's easy to apply online or at any MECU branch location.



## Repairs? Renovations? We Can Help!

Fall is here! It's time for football, pumpkin spice lattes, and tackling those home improvement projects that you managed to put off all summer. Whether you're just taking care of a few minor fix-ups or managing a major renovation, MECU has the affordable financing options to make it happen.

Our Revolving Credit Personal Loan is a great choice for home maintenance and DIY projects. Once approved for the loan, you can tap into your unused credit limit whenever you need it.

If you have something bigger in mind, like a new roof or windows, you should seriously consider tapping into your home's equity. It's typically the best rate you'll find, and that can make a big difference when financing a pricey project. At MECU, you can choose from a variable-rate Home Equity Line of Credit or a closed-end, fixed-rate Home Equity Loan, with loan amounts starting at \$10,000 and **NO CLOSING COSTS**.<sup>\*</sup> You can even refinance an existing home equity loan from another lender. Ask your tax advisor about possible tax savings.

MECU also offers Home Improvement Loans for \$1,000-\$25,000 for up to nine years at a competitive rate. All loan checks are made payable to your contractor or home improvement center.

To learn more and to apply, contact the Loan Department at an MECU office near you. For our current rates, go to [www.michedcu.org](http://www.michedcu.org).

<sup>\*</sup> Home Equity Line of Credit loan payments based on \$9 or \$12 per thousand. Example: \$10,000 loan, \$9 per \$1,000 selected, \$90 monthly payment. Minimum Line of Credit amount \$10,000. Maximum Line of Credit amount \$200,000. The maximum APR that can apply is 18%. Maximum LTV 90%. Properties only located in the state of Michigan. Certain circumstances may require closing costs.





## LET'S PLAN FOR YOUR FUTURE

Our wealth advisors can help you select an investment plan to address your individual goals and objectives.

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*For a no-obligation, complimentary consultation and a free review of investment programs, contact MECU Financial*

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## CEO Update

Built on the principle of “people helping people,” credit unions provide essential services to help members improve their financial health and well-being, but it doesn’t stop there. Credit unions also play an active role in their communities.

After a limited social calendar during the pandemic, the team at Michigan Educational Credit Union was eager to get out of the office in 2022. You may have seen our tent at the Woodward Dream Cruise, the Bike Safari at the Detroit Zoo, the Good Morning USA Parade in downtown Plymouth, the Livonia Chamber Golf Outing, and many other events.

As the new school year kicked off, MECU was

there, with our staff attending numerous teacher and student welcome-back events. We’re very proud of our educational roots, and these occasions give us an opportunity to show our support firsthand. We even held a Back to School Supply Drive to collect much-needed items for teachers and classrooms in nearby districts.

Keep an eye out for the MECU crew at more events in the future. We’re grateful for your support and thrilled to be a part of this community.



**Bob Sandercock**

## Advice For Managing Mom’s Money

Managing someone else’s money, usually via a power of attorney (POA) document, is a big responsibility. The undertaking is loaded with opportunities to stumble and create legal, financial, and relationship problems. As a fiduciary, you must follow four key rules:

- 1. Always act in your parent’s best interests – ahead of your own interests.** Translated to real life: That means don’t use your dad’s money to buy a car to take him to the doctor and then use the car more often for your own errands.
- 2. Manage money and property carefully.** Avoid a conflict of interest or even the appearance of a conflict. Translated to real life: Don’t hire your son to mow grandma’s yard for \$75 without getting an estimate first from a lawn care company. Then if someone – a judge or a jealous family member – questions you, you can show the more expensive estimate from the lawn care company.
- 3. Keep your money and your parent’s money in separate accounts.** Translated to real life: That means don’t put mom’s money into your account just for ease of access to pay her bills. That could create problems in the future if you want to apply for Medicaid and it’s difficult to figure out whose money is whose.
- 4. Maintain good records.** You need a paper trail to do full and fair accounting. Translated to real life: If your mom helped pay for one grandson’s college books, write it down so no one will be surprised when she pays for another grandchild’s books.

Make sure your POA document is complete and covers asset protection authority with the ability to make unlimited gifts, create trusts, take money out of trusts, and terminate trusts. Consult an attorney, preferably a certified eldercare lawyer. A qualified eldercare attorney can help your mom and/or dad legally protect assets to qualify for Medicaid to pay for nursing home care if needed.



Talk to the staff at Michigan Educational Credit Union. We can help you streamline the management of parents’ funds to comply with your fiduciary duties and keep things running smoothly at the same time.



# Budgeting For Infrequent Expenses

Many people live in a state of denial about the cost of infrequent expenses. For example, it's reasonable to expect that a car eventually will need new tires, a tooth will require a filling, or a household appliance will need to be repaired or replaced. When these things happen, many people will pay for it with their credit card (and not pay off the full amount at the end of the month) instead of paying with a check.

**A savings plan** – All these expenses can be budget busters unless you save in advance. To create a savings plan for infrequent expenses, take a tour of your home. Figure out when you probably will need to replace appliances and mechanical systems.

To find out the average lifespan of appliances, check out the Consumer Reports website at [consumerreports.org](http://consumerreports.org). Another good site that can tell you how long your HVAC, roof, etc. should last is [thisoldhouse.com](http://thisoldhouse.com).

If you own a car, save for repairs based on whether it is new or used, mileage, type of vehicle (sports car, sedan, truck, etc.), and repair/maintenance history. Experts advise that you stash away at least \$100 per month for these expenses. According to a report by the University of Illinois Extension, homeowners need to budget 1% to 2% of your home's value each year to cover the costs of home maintenance and repairs. You also should budget for out-of-pocket expenses that aren't covered by insurance, like co-payments or certain medical devices.

**Break it down** – To figure out how much to save each month, create a grid. List infrequent expenses on the left side and make columns for annual and monthly budget amounts across the top. Figure out the total cost for each infrequent expense and divide that by months or years as needed. Tally your columns to get the annual or monthly total you will need to put aside. If you are paid bi-weekly, you can also add a bi-weekly total. Then, to make things easier, open a special savings account for these expenses and set up an automatic transfer of that bi-weekly amount to occur the day after payday. At MECU, you can open a special savings account separately from your Regular Share account and even give it a unique name to specify a purpose. It's simple to open the account online or in one of our branch offices.

Over time, higher-than-expected expenses for one item on the list will likely be balanced by below-budget expenses in another. If you choose not to open a special savings account for these expenses, try to avoid the temptation of spending the money in your regular savings on unrelated items. That way, you'll be prepared whenever an infrequent expense becomes an immediate necessity.

# Share Certificate Rates Are On The Rise

Good news, savers! You can give your piggy bank a rest – deposit rates are finally going up!

It's a great time to consider setting aside a little money in a Share Certificate. You can get started with as little as \$2,500 for terms under a year, or you can get a longer term up to 5 years with a minimum of \$5,000. It's a great way to save for a special purpose. Individual Retirement Account (IRA) Certificates are also available.

Check out our current rates and open your Share Certificate online at [www.michedcu.org](http://www.michedcu.org) or at any MECU office today!



## What's Up With The Envelopes?

Like many other industries, the paper industry has fallen victim to supply chain issues in recent times. Due to these paper shortages, you may notice that your MECU statement is arriving in the mail in a different envelope than it has in the past.

That's because there is currently a wide-scale shortage of white envelopes. As a result, the mail house that prints our member statements has had to switch to other options – currently, yellow envelopes. They are the same paper weight and size, with the same markings and window as the white envelope.

Alternatives like this ensure our ability to continue providing paper statements to our members on a timely basis. We appreciate your understanding and patience as we adjust to these evolving global market challenges.

## Deposit Account Rates

**For current deposit rates, including Share Savings, Draft/Checking, IRAs, and Share Certificates, go to [www.michedcu.org](http://www.michedcu.org) or contact any MECU office!**

# Let's Celebrate Credit Unions!

On October 20, 2022, Michigan Educational Credit Union will join over 56,000 credit unions around the world to celebrate International Credit Union (ICU) Day. The theme of ICU Day 2022 is "Empower Your Financial Future with a Credit Union."

ICU Day highlights the many ways that credit unions across the world help members improve their financial health and well-being.

Credit unions were built on the principle of "people helping people." We've seen that philosophy in action for more than 100 years, with credit unions providing access to affordable financial products and striving to meet the needs of underserved communities.

MECU is honored to be a part of this proud tradition. We invite you to join us as we celebrate ICU Day 2022 on Thursday, October 20. All MECU branches will be handing out treats to show our genuine appreciation for our members' support.



## Back To School Supply Drive Update

As you know, many teachers have to dig into their own pockets to pay for school supplies for their students. That's why MECU headed up a Back to School Supply Drive in our branches this fall.

We're currently in the process of sorting through the piles of donations that we received so we can distribute the supplies to local school districts near our branches. The schools can then share them with the classrooms and students who need them the most.

We'd like to send out a huge "thank you" to everyone who donated and helped make our Back to School Supply Drive a success! Your generosity is greatly appreciated.

## Holiday Closings

### Federal Holiday

Monday, October 10, 2022

### Veterans Day

Friday, November 11, 2022

### Thanksgiving

Thursday, November 24, 2022

### Christmas

Monday, December 26, 2022

### New Year's

Monday, January 2, 2023



## Always Great Auto Loan Rates!

**2023-1998 Automobiles (100% Financed) –**  
Terms up to 84 months available

**Classic Cars (25 Years and Older) –**  
Terms up to 48 months available

**College/Trade School Grad or Active Military Discount –** 2021 and 2022 graduates and active military service members can save .25% off MECU's current auto loan rates. Ask for details.



**For current rates, contact the Loan Department at any MECU office or go to [www.michedcu.org](http://www.michedcu.org)!**



**Website:** [www.michedcu.org](http://www.michedcu.org)  
**E-Mail:** [general@michedcu.org](mailto:general@michedcu.org)

**Toll-Free Phone:**  
(888) 261-3355  
(Outside Metro Detroit area)

**Office Hours:**  
9:30-5:30 Monday-Friday

**Phone Service:**  
9:15-5:30 Monday-Friday

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Plymouth, MI 48170  
Phone: (734) 455-9200

**Livonia Office:**  
14921 Middlebelt Road  
Livonia, MI 48154  
Phone: (734) 261-1050

**Ann Arbor Office:**  
4141 Jackson Boulevard  
Ann Arbor, MI 48103  
Phone: (734) 761-7505

**Brighton Office:**  
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Suite 102 (in Pinehollow Place)  
Brighton, MI 48116  
Phone: (810) 494-6000

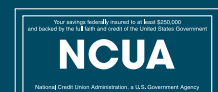
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