

## In This Issue:

- ▣ **Community Challenge** continues with PSCU
- ▣ **Your Financial Future**
- ▣ **My home needs updating, I can't put it off any more!**
- ▣ **Great Day Meeting our Charities**
- ▣ **Come to Redford and join the FUN!**
- ▣ **Foreign Currency Program**
- ▣ **HOLIDAY HOURS**
- ▣ **Benefits of Refinancing Your Auto Loan**  
Refinance your auto loan to save
- ▣ **Are Consolidation Loans Worthwhile?**  
The positives and negatives of consolidation loans

## Community Challenge continues with PSCU

Public Service Credit Union has saved our community over \$20,000 so far with our 1st Annual Community Challenge. When we reach \$500,000 in loan interest saved, we will donate a total of \$4,250 to four local charities!

You decide who receives the largest donation.

Ready to save and give?

1. Save money by refinancing a loan that you have with another financial institution

2. When our goal of \$500,000 is met, we will donate \$4,250 to 4 local charities:

- Michigan Paralyzed Veterans of America
- Champions Against Bullying
- Romulus Animal Shelter
- Detroit Rescue Mission & Ministries

Save money and help our community!

Step up to the Challenge and start saving today!

Go to [www.PSCUSaves.com](http://www.PSCUSaves.com) for more information.



Your Financial Future



MARKET INSIGHT

Real-time Context and Insight into the Economy and Market Trends

May 2014

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In This Issue

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Making a positive impact on as many lives as I can.

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LPL Financial Market Insight | First Quarter 2014

LPL Financial Research's 2014 outlook calls for better economic growth, which we see leading to stock market total returns likely in the low double digits (10-15%), derived from earnings per share for S&P 500 companies growing 5-10% and a rise in the price-to-earnings ratio (PE) of about half a point. That better growth may lead to rising yields and flat bond market total returns, with the 10-year Treasury yield likely ending the year at 3.25-3.75%. (Derived from our expectation for a 1% acceleration in U.S. GDP based on many of the drags of 2013 fading.) The primary risk to our outlook is that better economic growth does not develop. For more insight into our forecasts, please see our Outlook 2014: The Investor's Almanac publication and Outlook 2014 video on YouTube.

Life Insurance: What Kind Should You Get, and How Much Do You Need?

Do you need life insurance? If there are individuals who depend on you for support -- financial or otherwise -- you probably do. But, what kind, and how much? Learn the basics here.

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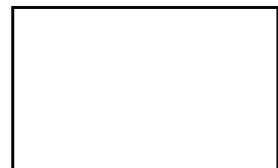
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<b>Not Insured by any Federal Government Agency</b>		<b>Not a Bank Deposit</b>

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## My home needs updating, I can't put it off any more!

If the Moon Roof in your house is getting bigger than the one in your car, maybe, just maybe it's time for some well needed home repairs. PSCU's Anyday Everyday Loans make it easy for you to apply ...and get the money you need to keep your home up-to-date. Call or email us today and we'll show you how to keep your home stylish on the inside and the weather outside. Anyday...Everyday!

- » A fixed rate, generally much lower than credit card rates
- » No collateral or equity needed
- » A simple application process

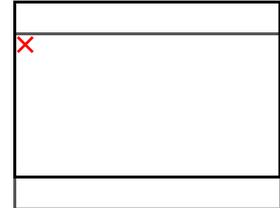


## Great Day Meeting our Charities

Public Service Credit Union in Romulus hosted a big open house on May 2, 2014 to introduce the community to four charities that will benefit from a community challenge. Public Service Credit Union has challenged community members and businesses to save \$500,000 in loan interest through mortgage, home equity and auto loan financing as well as debt consolidation, credit cards and lines of credit. When the community has saved half a million dollars, PSCU will donate a total of \$4,250 to four charities: the Romulus Animal Shelter, Champions Against Bullying, Michigan Paralyzed Veterans of America & Detroit Rescue Mission & Ministries. Romulus Mayor LeRoy D. Burcroff thanked PSCU for contributing to the city.

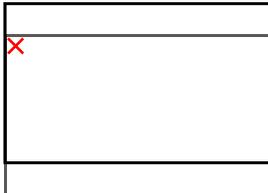


The Mayor also introduced representatives of each nonprofit organization and presented them with keys to the city. The recipients included Mrs. Michigan 2013 Jennifer McMahan, representing Champions Against Bullying; Jonathan Colo of Detroit Rescue Mission and Ministries; Mike Harris of Michigan Paralyzed Veterans of America; and Romulus Councilman William Wadsworth, Kim Matthews and Rae Lipkowski, representing the Romulus Animal Shelter.



The representatives thanked PSCU and the Romulus community for their support. Jennifer McMahan presented Mayor Burcroff with a plaque and said: "Thank you for bringing compassion and awareness to this very important issue that so many children face: bullying. Together, with your heartfelt and pro-active support, we can continue to help every child succeed, feel safe to be expressive, learn in a healthy environment and thrive significantly in their lives... Thank you so much for recognizing our work and making us a part of your glorious City of Romulus, Michigan." Councilman Wadsworth and Kim Matthews told the story of the many who have contributed to make the Animal Shelter possible, including individual and corporate donations, support from the Tax Increment Finance Authority and continuing sponsorship from organizations including PSCU.

On hand earlier in the day were students from Romulus Public Schools and 34th District Court. Magistrate Alan Hindman and Judge Tina Brooks Green, who spoke to the children about the consequences of bullying. The entire day was a huge success and enjoyed by all.



But sure to go to [www.PSCUsaves.com](http://www.PSCUsaves.com) to track the progress of the savings.

*Pictured above to the right - Mayor Burcroff presenting a key to the City of Romulus to Mike Harris of Michigan Paralyzed Veterans of America. Pictured above to the left - Magistrate Alan Hindman, Judge Green, Dean Trudeau, CEO & Jennifer McMahan after the presentation.*

**Come to Redford and join the FUN!**

PSCU loves to be a part of the Redford community, so we have joined the many sponsors for the Redford "Relay of Life" event for the American Cancer Society. It will be held at Claude Allison Park 18300 Beech Daly Rd., on Saturday, May 3<sup>rd</sup> beginning at 10am through Sunday, June 1<sup>st</sup> ending at 10am. Be sure to come by and be part of this wonderful cause to help us finish the fight!



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Public Service Credit Union • 734-641-8400 • <http://www.pscunow.com>



## Foreign Currency Program

We are pleased to announce that our members are able to purchase foreign currency direct from PSCU. This service is offered to our members to help with the convenience of traveling abroad and getting your foreign currency prior to departure. Be sure to ask one of our representatives for details.

## HOLIDAY HOURS

All branches of PSCU will be  
**closed** in observance of  
Memorial Day  
on Monday, May 26th

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## Benefits of Refinancing Your Auto Loan

### Refinance your auto loan to save

When you think of refinancing, you probably think of your mortgage or another equity loan, but you may not realize that it is also possible to refinance your auto loan, and that oversight may be costing you money. Many people are able to save by refinancing their auto loans, and the following information can help you determine if it could be the right choice for you.

Even if you haven't heard about automotive loan refinancing, the good news is that it is a simpler process than refinancing a mortgage. The basic idea is that you obtain a new loan from your financial institution in order to pay off your first loan. Obviously, in order to save, the new loan must have a more favorable interest rate.

Fortunately, you don't even need to score a much lower rate to save; a small percentage can mean great things for your account balance. Just finding a new loan with an interest rate a single percentage point lower can save you big, especially if you have a substantial amount left to pay off the balance of your loan.

The process of completing an auto loan refinance application only takes a few minutes, and many financial institutions allow you to do it online. Because the process is so convenient, it is hard to find a reason not to try.

"Refinancing essentially helps anyone who wants to save some money," states the Department of Motor Vehicles (DMV). "Even those who got a good rate on their loan can still gain by refinancing, especially during periods of dramatic rate drops."

They are particularly beneficial to anyone who has a poor credit score or insufficient credit history, is unemployed or has a loan with an interest rate that is currently at a high point. Refinancing is also beneficial for people who have increased debt since the loan was originally issued, after buying a house, for example.

One thing to keep in mind is that it is important that you have been making regular loan payments before you apply to refinance. If you have a good payment history, you should plan a time to apply to refinance. Financial experts have varying opinions on how long to wait between receiving your loan and trying to refinance.

"Some say six months is appropriate, while others recommend 18 months. But, again, it doesn't hurt to try to refinance," states the DMV. However, the DMV cautions that, "Some lenders do run a credit history check as soon as you apply for a loan, which could slightly lower your credit score for a few months."

How much you save depends on several factors, including the amount left on the loan, the refinance rate and the initial interest rate. Depending on these variables, you could save hundreds or even thousands of dollars.

"Is there a downside to all this? No. That's because, unlike home mortgages, many auto loans don't charge prepayment penalties or fees to set up the loan," according to senior consumer advice editor of Edmunds, Philip Reed. "And consumers can complete the application process online in about 15 minutes."

All of these benefits of auto loan refinancing and the simplicity of the process makes auto loan refinancing a good prospect for most people. If you would like to see if you can save money by refinancing your auto loan, please feel free to give us a call today to have all of your questions answered.



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## Are Consolidation Loans Worthwhile?

### The positives and negatives of consolidation loans

Although there are an endless variety of reasons why people find themselves in over their heads with debt, the cost of education is frequently to blame. Fortunately, there are many available options for managing multiple sources of debt. One option is consolidating student debt into one loan.

Trying to figure out how to pay down debt is a stressful situation, and it can be even more stressful if you're dealing with multiple loans. Many people feel that their financial situation would be more manageable if they only had to think about one loan and had one clear monthly payment to save for. This is possible through debt consolidation loans.

Many financial experts advise against seeking loan forbearance — the ability to reduce or even stop payments completely for up to a year — and instead advise that people begin paying down student debt as soon as possible. If you cannot make your current loan payments and do not want to seek forbearance, consolidating may be the best solution.

"Let's say you have \$80k in student loan debt right now and can't make the monthly payment. What I'm going to do is consolidate my loan and I'm going to put them in a federal direct loan consolidation," recommends Rick Ross from the financial advisory College Financing Group on Forbes.com.

"Consolidation can save you money," notes Maggie McGrath, Forbes staff writer. "However, you cannot consolidate private loans with federal loans, and when you do consolidate federal loans, you may lose benefits associated with the original loan, like interest rate discounts, principal rebates or some loan cancellation benefits."

If you're consolidating federal loans into a federal Direct Consolidation Loan, your monthly payment could be greatly reduced because the consolidation loan can allow you up to 30 years for repayment.

"You might also have access to alternative repayment plans you would not have had before, and you'll be able to switch your variable interest rate loans to a fixed interest rate," states the Department of Education's Office of Federal Student Aid. "However, if you increase the length of your repayment period, you'll also make more payments and pay more in interest."

It's important to note that consolidation cannot be undone. The original loans are, in essence, paid off by the new loan. Therefore, they no longer exist and cannot be retrieved if you decide you prefer the benefits of the original loans more. This is why it's important to carefully consider the consolidation process.

If you're currently in default, you must meet certain criteria before consolidating. Information about that criteria and a list of the types of federal loans can be consolidated into a federal Direct Consolidation Loan can be found at <http://studentaid.ed.gov/repay-loans/consolidation>.

When applying to consolidate your loans, it's important to be careful of imposters who attempt to steal personal information or scam people into paying fake fees. There is no fee charged when you apply to consolidate your federal loans.

"If you are contacted by someone offering to consolidate your loans for a fee, you are not dealing with one of the U.S. Department of Education's (ED's) consolidation servicers," cautions the ED's Office of Federal Student Aid.

If you have private loans, you will not be able to use this federal resource for consolidation. There are other methods of consolidating debt, however, such as through a home equity line of credit or a second mortgage. The obvious risk to this type of consolidation is that using your home as collateral could mean that you lose your home if you cannot make payments or even if your payments are late.

"What's more, consolidation loans have costs," according to the Federal Trade Commission (FTC). "In addition to interest, you may have to pay 'points,' with one point equal to one percent of the amount you borrow. Still, these loans may provide certain tax advantages that are not available with other kinds of credit."

If you would like to discuss your best options for paying down debt, please don't hesitate to give us a call.

**APPROVED!**  
**DEBT CONSOLIDATION**  
**LOAN**

