



## The New Direction - January 2026

### A Letter from our CEO - Tax Reform and how it impacts members

President Trump's the One Big Beautiful Bill (OBBA) sometimes referred to as OB3) has far reaching impacts across many areas of our lives. At its core, the OBBA builds on the Tax Cuts and Jobs Act of 2017, making many individual tax rate cuts permanent; expanding some deductions; and introducing a slate of new tax breaks designed to lower federal tax burdens for millions of Americans.

Among these new incentives is a highly discussed provision: a **temporary deduction for auto-loan interest** — a benefit that, while limited in time and eligibility, could help many taxpayers who finance vehicle purchases.

I am not an expert in the law, nor am I a tax professional. It is not my intention to discuss every facet of the Bill, as some of it still needs further clarification.

However, here are some of the basics:

For the tax years of 2025-2028, individuals may claim an "above-the-line" deduction (meaning that it is still eligible even if the taxpayer does not itemize their deductions) of up to \$10,000 per year for interest paid on qualifying new vehicle loans. (This includes cars, minivans, vans, SUVs, pickups, and motorcycles.)

If a new vehicle was purchased after December 31, 2024 and assembled in the US (based on VIN information that will be disclosed on the tax return), it is eligible for the deduction. There is an income component of the law, so the full deduction may not be eligible to higher wage earners.

The law is intended to encourage investments in US based firms and protect American workers. It helps to

lower effective borrowing costs and increase after-tax income.

One of the key limitations of the bill is that it does not cover leased or used vehicle purchases. Refinances are permitted, but not if it involves a cash-out component. To-date there is no "partial" deduction allowed.

### THE ONE BIG BEAUTIFUL BILL ACT

This deduction is only for individuals and does not extend to business or fleet vehicles. We know that many of our members choose to list their vehicles in the business name, that interest will not be able to be claimed.

The only burden to include on this tax year's filings is to disclose the total interest paid in 2025. This is included on every December statement that our credit union produces. There is no special tax form that needs to be included beyond the individual interest that your loan was charged Year-to-Date. As the law becomes more fleshed out, there is a burden on financials to adhere to stricter reporting structures going forward.

None of us at the credit union are tax professionals, please consult your tax preparer for additional details.

If you are thinking about a new vehicle purchase; if our new lowered rates aren't enticing enough: perhaps the combination of them and the tax credit will be. Happy shopping!



**Board of Directors**

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

**Meet Our Staff**

Michael Vatter	<i>CEO</i>
William Wehr	<i>CFO</i>
Maureen Dierfield	
Erica Holian	
Kathy Lorello	
Branch Coordinators	
Kayci Bintrim	
Trisha Goodrich	
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Margaret Stroia	
Joanne Wooley	

**Hours of Operation**

<b>Monday - Friday</b> (All Offices)
9:00AM - 4:30PM
Drive-Thrus open at 8:30AM
<b>Saturday</b> (Neshannock Office)
9:00AM - 12:00PM

**Proud Member of**

Accounts Federally insured

**We Welcome New Friends**

We are proud to announce our merger with Family 1st FCU. While this merger took less than one year to culminate, our organizations have been friends dating back nearly 30 years.

Family 1st traces its roots to the hard working men and women of Rockwell International. They were founded with the same principles and sensibilities that our fore-fathers of the railroad birthed in us.

The merger will not be complete until March 2, 2026. Until that time, we are operating as two credit unions under one roof.

**Special thanks** needs to be extended to both Boards of Directors for working together to push this merger forward. Some of our employees were called upon to fill staffing at their office. Beth

Ferguson championed that undertaking.

We also wish to thank their staff. Most of them opted to retire, but worked tirelessly to ease the transition of their members up until the last day.

We extend our deepest gratitude to our CFO, Bill Wehr. He served as both CFO of First Choice and acting Manager at Family 1st for most of 2025. Without exaggeration, Bill has been putting in 10-15 hour days, 6 days a week, for the better part of a year. Without his Herculean efforts, we would not have been able to accomplish this merger.

It is our honor to serve more of our Community. We look forward to getting to know our newest members better.

becoming difficult to store. As we do not specialize in retail businesses, our pennies were flowing in, but not back out. We had to make the difficult decision to stop accepting pennies in our Coin

Counter. The machine will collect 50 pennies and then have to be released. We are sorry for the inconvenience.

Businesses use pennies to make proper change. Without the ability to buy them, many merchants are choosing to round down cash purchases or even buy pennies at a premium.

We can still all benefit from future "penny drives" like Giant Eagle recently had. It will not be the last of those.

I don't think we are close to a coinless society, but the time may come.

**We Miss Pennies Too**

Now what are we supposed to do? Has inflation caught up with our own opinions? Maybe it will be good for society. Everyone is so free to give their "two cents" ... maybe if they cost more people will be less likely to dispense rude or unhelpful comments.

As many of you know, the penny costs significantly more than \$0.01 to produce. Therefore the Federal Government made the decision to stop producing them. There is an estimated 300 billion pennies in circulation... so we will still have them around for quite some time.

However, not being able to order or sell pennies to the Federal Reserve has created some unique circumstances. Within weeks of the stop of production, we had acquired bags and bags of pennies that we could not ship and were

## Naughty List

You know who made the naughty list this year for sure? Fraudsters! The holiday shopping rush means increased transactions, which gives them the perfect chance to steal information and add fraudulent activities.

Let's protect your wallets this holiday season with these simple tips to keep unwanted surprises — or lumps of coal — from landing on your account statements:

**Check activity online or on your mobile device daily.** This helps detect and stop fraud early and allows debit cards to be shut down quickly.

**Don't just set it and forget it.** If you set up account or text alerts, check them to make sure they are still appropriate for the increased volume and expectations of the holiday traffic.

**Avoid mailing checks to family or friends.** Mail theft is a major source of check fraud. Fraudsters can intercept checks, alter them or create counterfeit copies with stolen information. A check contains sensitive information including account numbers, signature, full name and address. If sending a gift by mail, consider using gift cards.

**Protect your phone when using it at retailers.** Keep your phone in a secure place to prevent theft and be aware of pickpockets. Cover your hands when entering your passcode to avoid shoulder-surfing. And do the same thing when entering your PIN with your debit card.

**Be cautious when shopping online.** A website starting with "https" doesn't always guarantee full security, but one without the "s" is a bigger risk.

**Upgrade your wallet.** Protect debit cards from Radio Frequency Identification (RFID) scanners. The same tap-to-pay technology that makes transactions convenient can also be exploited. RFID approved wallets really do help.

**Keep account, card, and personal information private.** Fraudsters are quite good. They practice



and sound very professional. They excel at getting people talking and divulging information that they want. When we talk to our members, we may ask you to verify partial information that we already have, but we will not ask for complete information. This helps to ensure that we are only talking to you... not to gather account information.

**Verify recipients before sending money via peer-to-peer (P2P) transfers.** Make sure you know exactly who is receiving the funds. Fraudsters can create fake Zelle®, Venmo®, PayPal®, or Cash App® accounts. Artificial intelligence (AI) technology is increasingly used to impersonate others electronically or even via audio. Stop, think, and verify before pressing "send". Call a known phone number to confirm it's really your family or friend, as fraudsters often prey on urgency.

**Watch out for romance and investment scams this season.** Scammers exploit loneliness or financial stress to request money for travel, emergencies, or urgent needs.

**Watch out for "pig butchering" scams** that start with small, believable returns to build trust, then escalate until multiple accounts are drained. Red flags include urgent requests for funds, repeated asks to reinvest "profits," and unwillingness to communicate on verifiable channels. Be skeptical of "get rich quick" offers that promise steady returns or pressure you to invest more. Before wiring or investing, pause and verify by calling a known number, consulting a trusted contact, or contacting a financial institution for guidance. As a rule of thumb... **NEVER TRUST ANYONE** who says you can't talk to a trusted source. We are here to help!



## Santa is Sorry

Has Santa left you with a HoHo-Whole-lotta bills? His heart was in the right place, even if his wallet wasn't. He wanted to bring a little bit of Christmas joy, but now he has got you in debt.

Have no fear, the Elves at First Choice are here to help. Maybe we can help you pay off that high interest credit card. Maybe you need to refinance that sleigh you just bought.

We can free up some cash with a little elven magic and know-how. Now, look carefully at the rates to the right. Notice anything different? We just lowered them significantly for 2026.

Let's take a look at a case study: If you owe \$2,000 on your credit card, at the national average rate of 20.36% and only make the minimum 3% payment each month; it would take you 9 years and 9 months to pay that off. Stated another way, you will be debt free from Christmas 2025 in September 2034.

Even though you spent \$2,000 on gifts, your payback over the years will be \$3,942.13. And that is if you never use that credit card again.

What if you spent **just \$100** each

month, but increased your payment to \$100 a month? You would expect to still owe somewhere around the original \$2000. Right?

Actually, in month 32 you would have to start paying more than \$100 just to meet the 3% minimum. After 9 years and 9 months, you would still owe (having already paid \$16,195.42 in payments) \$6,261.67. And the Balance is increasing.

### Credit Card Christmas is **BAD NEWS**.

You could take out a 22 month loan for \$2,000 at 6.99% with a payment of \$100.00. You would pay a whopping \$139.04 in interest (average \$6.32/month) and be debt free in 22 months. And if you paid it off early, it would be even less... there is **NEVER** a fee to pay us off early here. Pay \$173.54 and be debt free by next Christmas. (Btw... total interest... \$82.38) **It's a no brainer!**



## Loan & Savings Rates

Loan Rates in APR\*, Savings APY\*\*  
Effective 1/1/26

### Rates start as low as...

#### Personal:

Up to \$4,000	6.99%
Up to \$10,000	10.24%

#### Share Secured:

2.99%

#### Untitled Autos:

Up to 40 Mo.	3.24%
41-52 Mo.	3.74%
53-64 Mo.	4.24%
65-76 Mo.	4.49%
77-88 Mo.	5.49%

#### Used Autos: 2026-2024

Up to 40 Mo.	3.49%
41-52 Mo.	4.37%
53-64 Mo.	4.74%
65-76 Mo.	4.99%
77-88 Mo.	5.74%

#### Used Autos: 2023-2022

Up to 52 Mo.	4.49%
53-64 Mo.	4.99%
65-76 Mo.	5.49%

#### Used Autos: 2021-2020

Up to 52 Mo.	5.24%
53-64 Mo.	5.74%
65-76 Mo.	6.24%

#### Used Autos: 2019-2014

Up to 48 Mo.	8.49%
Up to 60 Mo.	9.24%

## Dividend Schedule Change

Due to a complexity of the merger, all First Choice and Family 1st dividends will be paid monthly January, February, and March.

We will resume the quarterly dividends thereafter. This change does not impact CD dividends. This will ensure that year-end tax information for 2026 is accurate.



### 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.*

### Home Equity: (1st Position)

Up to 5 years	4.74% Fixed
Up to 10 years	5.99% Fixed
Up to 15 years	6.49% Fixed

### (2nd Position)

Up to 5 years	5.24% Fixed
Up to 10 years	6.49% Fixed
Up to 15 years	6.99% Fixed

Members pay costs

*\*\* Rates impacted by credit score.*

**ALL RATES REFLECT A 0.50% DISCOUNT FOR AUTO PAY**

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.