

FIRST EDITION



Upcoming Important Dates & Seminars

Wednesday, May 12

How to Weather a Bear Market Virtual Seminar, 6pm

Wednesday, May 19

The Return of Conservative Investing Virtual Seminar, 6pm

Tuesday, May 25

Women & Investing Virtual Seminar, 6:30pm

Monday, May 31

All locations will be closed in observance of Memorial Day

Wednesday, June 2

Transitions to Retirement Virtual Seminar, 6pm

Wednesday, June 9

Social Security & Your Retirement Virtual Seminar, 6pm

Wednesday, June 16

Income for Life Virtual Seminar, 6pm

Wednesday, June 23

How to Weather a Bear Market Virtual Seminar, 6pm

Wednesday, June 30

401k Rollover Planning Virtual Seminar, 6pm

Monday, July 5

All locations will be closed in observance of Independence Day

Register for the virtual seminar sessions on the events calendar at firstffcu.com, or text FFSeminar to 866.956.9302!

WHY IS EVERYTHING SO EXPENSIVE LATELY?

Houses. Cars. Gas. Why is everything so much more expensive than it was a year ago?

If you think you're spending more on things like gas and food than you were at this time last year, you're right. That's because we seem to be reopening to a more expensive economy than the one that existed pre-pandemic.

It's not necessarily price-gouging. In fact, it has a lot to do with a shortage of materials that manufacturers need to make their products. When supply is low, prices climb for manufacturers—and consumers ultimately often end up paying more for the end product.

It seems silly, but even the cereal Grape-Nuts, has been hard to come by. Kristin DeRock, the Grape-Nuts brand manager, said in a recent interview that making the unique breakfast cereal involves "a proprietary technology and a production process that isn't easily replicated, which has made it more difficult to shift production to meet demand during this time."

You've probably also noticed it's been hard to get your hands on things like fitness gear, sofas, and lumber too. The shortages and price increases have to do with several factors. The work from home economy put never before seen pressures on companies that both struggled to estimate demand, and were forced to halt production for safety reasons.

As imports have picked up speed on the back of surging (and erratic) consumer behavior, U.S. shipping ports have become unusually congested. The early 2021 freeze in Texas also compounded these problems,



suspending oil production and impacting the manufacturers who rely on it.

Tight capacity, low inventory, and fiscal stimulus have created the "perfect storm" causing both big-ticket and everyday items from hot tubs and bikes to meat and cheese, to cost a whole lot more because of the unusual conditions created by reopening.

So how long will these high prices last?

Experts agree and anticipate these disruptions may last until early 2022. Until then, the stimulus will continue to drive demand and the pandemic will continue to rattle the movement of everyday goods, keeping prices higher into early next year.

For details, visit <https://blog.firstffcu.com/2021/04/19/why-is-everything-so-expensive-lately/>



Note from the CEO

We are pleased to announce that we were safely able to open our branch lobbies to walk-in's for the first time in over a year, on April 5, 2021. The lobbies are open with reduced hours and limited capacity at this time, however our Branch Drive Thru locations and our Member Relationship Phone Center all have extended hours. Appointments are still strongly encouraged to be made in order to receive timely service in opening an account or closing on a loan in an operating branch by calling 732.312.1500. For the most up-to-date information on individual branch locations and hours, please continue to check our website homepage, our website COVID-19 resources page, or on Facebook, Twitter, and Instagram.

It's our 85th Anniversary this year, but you get the gifts! Have you participated in our monthly historical social media trivia contest? In the beginning of each month, we post a trivia question about First Financial's history on Facebook and Instagram (@FirstFinancialNJ) and Twitter (@NJBanking). We collect correct answers across all platforms on the last day of each month after 11:59pm, and draw a winner to receive a Visa® Gift Card in various amounts. Join in the anniversary trivia fun by following us on social media and answering the question of the month in the comments using #FFFCUthrowback85.

We hope that you are enjoying our new and upgraded Online Banking System and Mobile App and were successfully able to login for the first time on launch day last month. If you have any questions, please do not hesitate to reach out to our Member Relationship Phone Center. Video tutorials and firsttime login guides continue to be available on our website system upgrade page at firstffcu.com. Also stay tuned for a new website redesign, which will be available just in time for our next quarterly newsletter this Summer 2021. We are thrilled to be able to bring our membership these exciting new digital enhancements!

We thank you for your continued support, loyalty, and membership. We wish you and your family health, wellness, and enjoyment during this beautiful Spring season. As always, thank you for Thinking First – God Bless!

Sincerely,

Issa Stephan, CCUE, President & CEO



OUR ONLINE BANKING & MOBILE APP SYSTEM UPGRADE IS COMPLETE!

If you have not logged into our new and upgraded Online Banking System since our conversion on March 15, 2021—please visit our System Upgrade webpage at firstffcu.com/system-upgrade.htm for video tutorials and first time login guides.

Previous consumer Online Banking users will need to login for the first time with their former Online Banking user ID, and the last 6 digits of their Social Security Number as their password. For login assistance, please call Member Services during business hours at 732.312.1500. If you cannot get through to Member Services or you have login trouble after hours, you may call our Online Banking Login Assistance Call Center at **833.658.0295**.

All users now have access to Live Chat Services both within Online Banking and our Mobile App, added security features, First Financial Wallet for your credit and debit cards, Online Bill Pay, Member-to-member and external transfers, check ordering, instant balance, 1-Click Remote Deposit Capture, spending reports and more! Zelle person-to-person payments will be arriving in June 2021 and will replace Pop Money. Our website at firstffcu.com will also be redesigned this coming Summer 2021—stay tuned!

Home Sweet Home

Take advantage of our great rates, easy application process, and buy or refinance your home with First Financial.

Get prequalified before you shop! You'll also get up to \$500 in closing cost credits.*

APPLY ONLINE at firstffcu.com
or by calling 732.312.1500, Option 4!

*Qualified borrowers must meet eligibility requirements including, but not limited to, property location, loan amount, loan type, occupancy, property type, loan to value, debt to income ratios, FICO credit scores, refinance with cash out and other variables. NMLS CU ID: 685814. Equal Housing Lender.





HOW WELL DO YOU UNDERSTAND RETIREMENT PLAN RULES?

1 First Financial
Investment & Retirement Center

Qualified retirement plans, such as IRAs and 401(k)s, have many rules, and some of them can be quite complicated. Take the following quiz to see how well you understand some of the finer points.

- 1. You can make an unlimited number of retirement plan rollovers per year.**
 - A. True
 - B. False
 - C. It depends
- 2. If you roll money from a Roth 401(k) to a Roth IRA, you can take a tax-free distribution from the Roth IRA immediately as long as you have reached age 59½.**
 - A. True
 - B. False
 - C. It depends
- 3. You can withdraw money penalty-free from both your 401(k) and IRA (Roth or traditional) to help pay for your children's college tuition or to pay for health insurance in the event of a layoff.**
 - A. True
 - B. False
 - C. It depends
- 4. If you retire or otherwise leave your employer after age 55, you can take penalty-free distributions from your 401(k) plan. You can't do that if you roll 401(k) assets into an IRA**
 - A. True
 - B. False
 - C. It depends

How did you do? Check out the answers below.

- 1. C. It depends.** Rollovers can be made in two ways — through a direct rollover, also known as a trustee-to-trustee transfer, in which you authorize the funds to be transferred directly from one account or institution to another, or through an indirect rollover, in which you receive a check in your name (less a required tax withholding) and then reinvest the full amount (including the amount withheld) in a tax-deferred account within 60 days. If the full amount is not reinvested, the outstanding amounts will be considered a distribution and taxed accordingly, including any applicable penalty. Generally, individuals can make an unlimited number of rollovers in a 12-month period, either direct or indirect, involving employer-sponsored plans, as well as an unlimited number of direct rollovers between IRAs; however, only one indirect (60-day) rollover between two IRAs is permitted within a 12-month period.
- 2. C. It depends.** Beware of the five-year rule as it applies to Roth IRAs. If you establish your first Roth IRA with your Roth 401(k) rollover dollars, you will have to wait five years to make a qualified withdrawal from the Roth IRA, regardless of how long you've held the money in your Roth 401(k) account, even if you are over 59½.

However, if you have already met the five-year holding requirement with any Roth IRA, you may take a tax-free, qualified withdrawal.

- 3. B. False.** You can take penalty-free withdrawals from an IRA, but not from a 401(k) plan, to pay for a child's qualifying education expenses or to pay for health insurance premiums in the event of a job loss. Note that ordinary income taxes will still apply to the taxable portion of the distribution, unless it's from a Roth account that is otherwise qualified for tax-free withdrawals.
- 4. A. True.** If you leave your employer after you reach age 55, you may want to carefully consider whether to roll your money into an IRA. Although IRAs may offer some advantages over employer-sponsored plans—such as a potentially broader offering of investment vehicles—you generally cannot take penalty-free distributions from an IRA between age 55 and 59½, as you can from a 401(k) plan if you separate from service. If you might need to access funds before age 59½, you could leave at least some of your money in your employer plan, if allowed.

When leaving an employer, you generally have several options for your 401(k) plan dollars. In addition to rolling money into an IRA and leaving the money in your current plan (if the plan balance is more than \$5,000), you may be able to roll the money into a new employer's plan or take a cash distribution, which could result in a 10% tax penalty (in addition to ordinary income taxes) on the taxable portion, unless an exception applies.

Questions? Contact First Financial's Investment & Retirement Center by calling 732.312.1534. You can also email Mary.LaFerriere@cunamutual.com or Maureen.McGreevy@cunamutual.com

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BE AWARE OF TAX SCAMS THIS EXTENDED TAX SEASON



The Internal Revenue Service (IRS) recently announced that the 2020 federal income tax filing deadline for individuals would be extended from April 15th to May 17th in response to the ongoing recovery efforts surrounding the COVID-19 pandemic, and to help provide taxpayers some ongoing relief.

In the midst of tax season, it's important to be reminded that there is often an increase of fraud attempts and tax scams. Annually, the IRS shares and emphasizes certain scams that may be of risk to taxpayers. This year, scams related to Coronavirus tax relief continue to target taxpayers.

Here are a few things to be on the lookout for this tax season, as extensions can create confusion and make tax payers more susceptible to fraud attempts. The IRS recently announced the following to be aware of for the 2021 tax filing season:

- **Phishing Scams:** Taxpayers should be alert to potential fake emails, texts, phone calls, or websites looking to steal their personal information.
- **Phone Scams (Vishing):** These scam phone calls work hard to instill a sense of urgency, and often threaten arrest, deportation, or some type of retaliation if a tax bill is left unpaid.
- **Charity Scams:** These schemes share bogus information about a charity to trick people into sending money or into providing personal information. This is often attempted with a fake website, using names similar to legitimate charities, or unsolicited communication.
- **Social Media Scams:** Social media scams frequently use events (lately COVID-19) to trick people into disclosing personal information. Typically, this involves convincing a potential victim they are dealing with a person they trust via email, text, or social media direct messaging.
- **Refund Theft Scams:** Refund and Economic Impact Payments (EIP) as provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act have been targeted in recent scams with identity theft and filing false tax returns to divert funds to the wrong address or bank account.
- **Elder Fraud:** Seniors are more likely to be targeted and victimized by scammers due to unfamiliarity or uncertainty on how to respond across digital channels.
- **Offer in Compromise (OIC) Scams:** Misleading tax debt resolution companies can exaggerate chances to settle tax debt through an Offer in Compromise (OIC) and submit false applications for candidates. OIC offers are available for a bill reduction, but taxpayers must typically meet very specific criteria under law to qualify.

- **Payroll and HR Scams:** Phishing scams are designed to steal W-2 and other tax information. This scheme has increased with many businesses still closed and employees working from home due to COVID-19. W-2 forms contain sensitive information and are highly valuable for identity thieves.
- **Ransomware Scams:** This cybercrime targets human and technical weaknesses to infect a potential victim's computer, network, or server. Once infected, ransomware looks for and locks critical or sensitive data with its own encryption.

Consider these preventative tips to keep your personal and financial information safe this tax season:

- **Be cautious of communication:** Communication requesting personal or financial information—tax related or otherwise, should be treated with caution. The IRS and state tax authorities will never reach out by phone, email, text, or social media.
- **Pay attention to how money is requested:** The IRS does not require that taxes or bills be paid with a prepaid/reloadable debit card, gift card, or money wires through services like Western Union or MoneyGram.
- **Report threatening messages:** Calls demanding immediate payment or threatening legal action are more than likely scam attempts. The IRS or state of residence will not call to discuss taxes you owe without first mailing you an official bill.
- **Don't open attachments or click on links:** This is especially true if you have suspicions about the communication source you received, which may contain a malicious code or virus that will infect your device. Cybercriminals will often use a phishing email to trick a potential victim into opening a link or an attachment containing ransomware.
- **Be wary of rejected file requests due to duplication:** If an eFiled return is rejected because a duplicate EIN/SSN is already on file with the IRS, or an unexpected receipt of a tax transcript doesn't correspond to anything previously submitted—it may be a warning sign of identity theft.

If a tax scam is suspected, report it to your state authorities and/or the Federal Trade Commission.

Find out more about tax scams from the IRS website.

Think First because There's Harm In Not Knowing!

Article Source: *CUIinsight.com*

Loan Connection

732.312.1500, Option 4

To Fax Loan Applications

732.312.1530 (24-hour)

Contact Us

Local Callers 732.312.1500
Out of Area 866.750.0100
info@firstffcu.com

Neptune Branch

783 Wayside Road

Toms River Branch

1360 Route 9 South
Corner of Routes 9 & 571

Freehold/Howell Service Center

389 Route 9 North
Next to Howell Park & Ride

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CCUE, President/CEO

First Financial's Supervisory Committee has the responsibility to investigate member complaints that cannot be resolved through normal channels. If you have a complaint or suggestion to improve our service to you or if you have an unresolved problem, please write to:

Supervisory Committee
P.O. Box 751
Neptune, NJ 07754