

Upcoming Important Dates & Seminars

Monday, February 20

All locations closed in observance of Presidents' Day

Tuesday, February 21

Transitions to Retirement Virtual Seminar, 6pm

Wednesday, March 8

401k Rollover Planning Virtual Seminar, 6pm

Wednesday, March 22

Rethinking Diversification Virtual Seminar, 6pm

Register for upcoming virtual seminars on the events calendar at firstffcu.com



Financial Steps to Take After a Divorce

Going through a divorce not only takes an emotional toll, but can also leave a strain on your finances. Between legal fees and income changes – there's a lot to adapt to, plan for, and consider. After updating your insurance and legal documents, there are financial steps to take after a divorce to maintain your independence and security. Here's what we recommend, if this is something you are going through and are trying to best prepare to embark on your next journey in life.

Close your joint accounts

You may have already done this, but if not – be sure to immediately close all your joint accounts. Leaving unused accounts open can lead to fees. And even worse, sharing an account with an ex-spouse leaves the opportunity open for racking up a bill and potentially leaving you responsible for it. Leaving your joint account open is not worth the risk of potentially hurting your credit score and financial health.

Open new accounts

After a divorce, it's time to start fresh. That means opening a new credit card, checking, and savings account in your name exclusively. With new accounts, comes more opportunities to make better financial habits. We recommend taking this time to consolidate any potential credit card debt, and making the commitment to pay your balance on time and in full each month.

Adjust your budget

Mastering budgeting is an empowering journey. As you change from two incomes to one, you'll want to get a full idea of your expenses and cash flow – especially if you have children. Start by creating a list of essential expenses including housing costs, food, transportation, clothing, internet, cell phone, insurance, and more. Use our fillable PDF budgeting worksheet available on our website at firstffcu.com, as a resource. Then add up your monthly income and deduct your expenses. The amount left over should be used toward building your savings and/or for any less essential purchases or entertainment.

Rebuild your savings

Speaking of savings, now is the perfect time to rebuild your emergency fund. Once you have a good idea of your budget and cash flow after covering expenses, you'll be aware of how much to devote to a savings account. The typical rule of thumb is to dedicate 20% toward savings and future investments, but you'll also need to be realistic based on your new financial situation.

If you have questions while going through this process, our team can help advise you on additional financial considerations to make. You can have peace of mind knowing we're putting your financial needs first, no matter what financial situation you might be going through. Contact us to make an appointment, or stop into your local branch to speak with a representative today.



Note from the CEO

Happy New Year! In 2023, we're committed to another year of putting your financial needs first. That includes providing the best in financial services and resources to our community and members.

We finished the year by proudly donating new toys to Mount Springs Ministries in Neptune and non-perishable food items to Fulfill of Monmouth and Ocean Counties. In addition, we helped keep our community warm during the holidays by donating 23 children's pajama sets and 23 coats. We are so grateful to our members who contributed to these important local causes!

Thank you for your continued support and membership with us. We wish you and your family continued health and wellness in the new year.

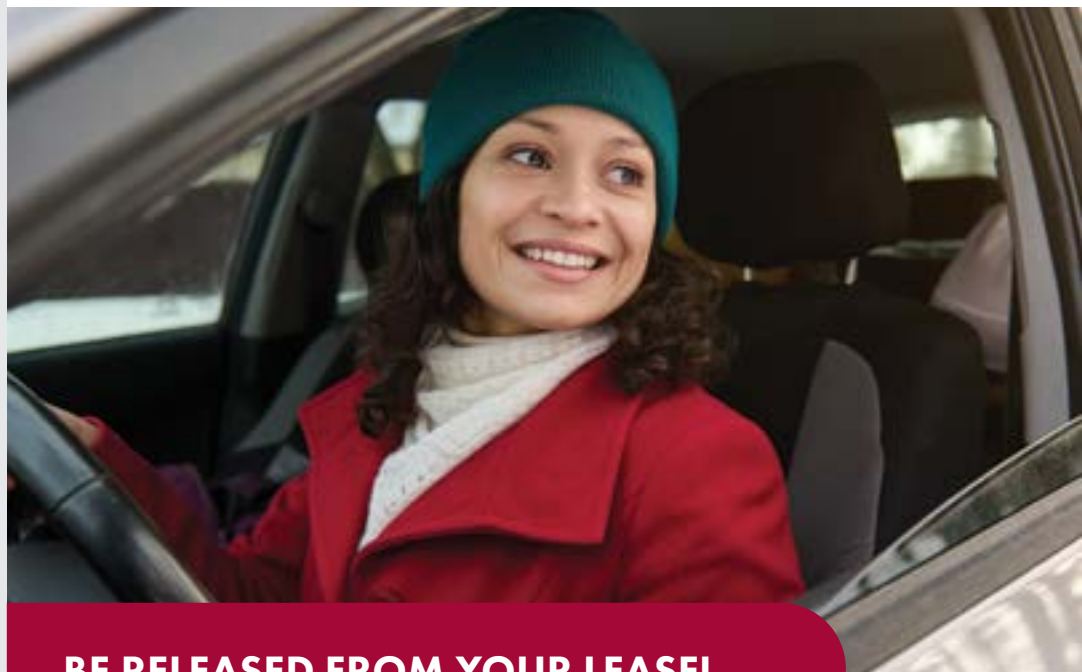
As always, thank you for Thinking First – God Bless!

Sincerely,

Isssa Stephan, CCUE, President & CEO



Photos from Our Toy, Food, and Gift Drives from December 2022



BE RELEASED FROM YOUR LEASE!

This winter, keep the car you love and see if you might be able to save money on your monthly car payments with our Lease Buyout Loan. We'll do all the hard work for you!

Get started today at firstffcu.com!

*Visit our website Lease Buyout Loans page at firstffcu.com for full details.

Double Up with a Spousal IRA



If you and your spouse are looking for a way to build your retirement savings but one of you is not working, you might consider funding a spousal IRA. This could be the same IRA that the spouse contributed to while working or it could be a new account.

In either case, IRS rules allow a married couple to fund separate IRA accounts for each spouse based on the couple's joint income. The total of both IRA contributions cannot exceed the total taxable income reported on the couple's joint tax return.

You can make contributions for 2022 up to the April 2023 tax filing deadline. You might also get a head start for 2023 and contribute for both years.

For tax year 2022, an individual with earned income from wages or self-employment can contribute up to \$6,000 annually to his or her own IRA and up to \$6,000 more to a spouse's IRA. An additional \$1,000 catch-up contribution can be made for each spouse who is 50 or older. For tax year 2023, the contribution limit increases to \$6,500, but the \$1,000 catch-up contribution remains the same.

Traditional IRA Deductibility

If neither spouse is an active participant in a workplace retirement plan such as a 401(k), contributions to a traditional IRA are fully tax deductible. However, if one or both are active participants, income limits may affect the deductibility of contributions. Limits are higher for contributions to the IRA of a nonparticipating spouse, so some

participants in workplace plans who earn too much to deduct an IRA contribution for themselves may be able to make a deductible IRA contribution to a spousal account.

For joint filers, the ability to deduct contributions to the IRA of an active participant in 2022 is phased out at a modified adjusted gross income (MAGI) between \$109,000 and \$129,000, but contributions to the IRA of a nonparticipating spouse are phased out at a MAGI between \$204,000 and \$214,000. (For 2023, phaseouts increase to \$116,000–\$136,000 and \$218,000–\$228,000).

Withdrawals from traditional IRAs and workplace plans are taxed as ordinary income and may be subject to a 10% penalty if withdrawn prior to age 59½, with certain exceptions.

The Roth Option

Roth IRA contributions are made with after-tax funds, so they can be withdrawn without penalty at any time. For a tax-free withdrawal of earnings, the account must meet a five-year holding requirement, and the withdrawal must take place after age 59½ (or result from the owner's death or disability).

Regardless of participation in a workplace plan, the ability to contribute to a Roth IRA in 2022 is phased out at a joint MAGI between \$204,000 and \$214,000 (\$218,000–\$228,000 in 2023).

Questions? Contact First Financial's Investment & Retirement Center by calling (732) 312-1534.

You can also email Mary.LaFerriere@lpl.com or Maureen.McGreevy@lpl.com



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How to Avoid Winter Utility Scams

This quarter, we're focusing on winter utility scams and how you can avoid them. Just this past fall, PSE&G released an alert that scammers were impersonating their representatives, noting 1,000 of their customers in 2022 reported being a victim of a scam. That's why it's so important to be aware of the warning signs and develop strategies to avoid any future scams from happening to you.



What is a utility scam?

A utility scam is when someone pretends to be your utility company to take your money. It can look like a call from your gas, electric, or water company threatening to cut off your service if you don't pay a bill immediately. It could be an individual impersonating a utility company employee at your door saying they need to repair equipment and that you have to pay on the spot. It could also be someone calling for your information to process a bill.

How to avoid a utility scam

Knowing the signs is the first step in avoiding a scam. If you ever feel uneasy about an email, phone call, or visit from your utility provider – trust your instincts. Chances are you're getting contacted by a scammer. Here are signs of a winter utility scam to look out for.

- Threats of disconnecting your service if a bill is not paid for within the hour
- Requests of an immediate payment through a payment app, gift card, or even Bitcoin
- Requests for personal or card information
- In-person demands for payments and high-pressure door-to-door sales
- Offers of products or services with drastic, too good to be true savings

Do your research! If you see an offer from a utility company, search them online with words like "scam" or "reviews." It's also recommended that you get any offers or savings in writing before accepting or signing a contract.

What to do if you encounter a scam

If you're contacted by a fake utility company (or suspect you were), contact your current service provider, report it to the Federal Trade Commission (FTC), and contact your state attorney general. It's also recommended that you let others know about the scam so they can avoid it too. If you've already paid a scammer or given them your personal information, contact your bank immediately. The FTC also has a handy guide for victims of a scam with advice and resources, available at consumer.ftc.gov.

At First Financial, we are here to help protect our members from scams and identity theft. If you have any concerns or questions about any of your First Financial accounts, please call member services at 732.312.1500 or visit one of our branches.

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
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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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



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