FIRST EDITION

Upcoming Important Dates & Seminars

Tuesday, October 26
Understanding Medicare Virtual Seminar, 6:30pm

Tuesday, November 2
How to Weather a Bear Market Virtual Seminar, 6pm

Tuesday, November 9
The Return of Conservative Investing Virtual Seminar, 6pm

Thursday, November 11
All locations will be closed in observance of Veterans Day

Tuesday, November 16
Women & Investing Virtual Seminar, 6:30pm

Thursday, November 25
All locations will be closed for Thanksgiving

Tuesday, November 30
401k Rollover Planning Virtual Seminar, 6pm

Tuesday, December 7
Income for Life Virtual Seminar, 6pm

Friday, December 24
All locations will close at 1pm for Christmas Eve

Saturday, December 25
All locations will be closed for Christmas

Friday, December 31
All locations will close at 1pm for New Year's Eve

Saturday, January 1, 2022
All locations will be closed for New Year's Day

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

HOW TO AVOID PURCHASING FLOODED CARS

Hurricane Ida was one of the strongest hurricanes to hit the U.S. in recent years, causing much flooding and devastation – especially to our New Jersey area. After an event like this, flooded cars often enter the used car market. These cars may appear to be cleaned up, but flood damage is unpredictable. Issues caused by water hitting vital parts of a car will often leave it too costly to repair.

1. Check the Car's History

A history report will reveal all the locations from the car's registration. In most cases, it will also show if it has undergone flood damage in its title report. If there's no sign from the registration, you should still be wary of cars that come from areas hit by hurricanes recently. There could be a chance that the vehicle tried to bypass regulations. Some car dealers have been known to try this in hopes of cleaning up a vehicle's record, a practice called title washing.

2. Inspect the Interior

The interior of a car is where you can spot signs of flood damage. The vehicle may have a moldy smell, and parts of its carpet may be damp – indicating it went through water. You can also lift the carpeting inside the trunk for any sign of rust or sand, which would also show that it went through floodwaters. Rust on the bolts and screws under the seats can also indicate flood damage.

3. Inspect the Exterior

The car's exterior will also show signs of corrosion or even subtle thin brown lines across its body. There may also be watermarks on the vehicle, indicating that it's been through high waters. The undercarriage can additionally reveal signs of flood damage. You'll usually find excessive rust on flood damaged cars.

4. Work with a Reputable Car Dealer

A car dealer with a good track record will avoid buying flood damaged cars, as it is not a risk they're willing to take. Check the dealer's history and any reviews surrounding the business. If there's an issue, you'll likely find a disgruntled buyer who has experienced buying a flood damaged car there.

5. Hire a Mechanic

Another way to ensure that you don't get a flooded car is to hire a mechanic to come with you and inspect the vehicle. They'll easily spot signs of water damage for you and recommend if the car's worth buying or not. A mechanic has likely worked with flooded cars in the past, so they'll see the signs – even if the car has been cleaned up. It's a small price to pay to ensure you're not buying a damaged vehicle.

For details, visit blog.firstffcu.com/2021/09/22/how-to-avoid-purchasing-flooded-cars/

Note from the CEO

We have made it to the last quarter of the year, and our extended lobby walk in and drive thru hours still remain in effect, as well as our Member Relationship Phone Center continues to have extended hours as well. Branch appointments are still strongly encouraged to be made in order to receive timely service in opening an account or closing on a loan 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 to see if there is an alert message, our website COVID-19 resources page, or on Facebook, Twitter, and Instagram.

We are pleased to announce that our Home Equity Line of Credit is back, and it's a great time to put your home's equity to work for you – whether it be a home renovation project, consolidating debt, or even helping to pay for college tuition. What's the difference between a Home Equity Loan and Line of Credit? A HELOC will allow you to advance as you need it, and the rate is variable and based on Prime Rate. Learn more about our great Home Equity Loan options at firstffcu.com and apply online 24/7.

There's just a couple months left to participate in our 85th Anniversary Historical Trivia Contest – be sure to visit our social media channels to answer the question of the month and get the chance to win a Visa Gift Card. Congratulations to all of this year's monthly trivia contest winners so far, and be sure to head over to our website 85th Anniversary webpage to see the answers to each of the monthly questions about our credit union's history.

Thank you for your continued support and membership with us. First Financial wishes you and your family continued health and wellness, and a Happy upcoming Holiday Season. Together we look forward to another successful year to come in 2022.

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

Sincerely,

Issa Stephan, CCUE, President & CEO

85TH ANNIVERSARY MEMBER TESTIMONIAL CONTEST WINNERS

Congratulations to the 3 members who were our Anniversary Member Testimonial Contest Winners and awarded with an $85 Visa® Gift Card!

"As a public employee I moved my accounts to FFFCU in 2013 and I've never looked back. There was always a vibe that they were there in my better interest. This was proven when I purchased my condo in 2015.

Every person involved with the necessary elements of purchasing real estate made a point of saying how much they enjoyed working with the people from FFFCU. This was unsolicited and surprised me, a confirmation to the character of this institution. When I purchased my car in 2018, it went just as smoothly and at a very good rate. I have since acquired a HELOC and a personal loan. **I love my credit union.**" – Susan H.

"I've been a member since I was a teenager, so almost two decades. Being a credit union member is so worth it, the benefits are leaps and bounds above being part of a traditional bank. My first and best credit card was with FFFCU and I still use it, it's enabled me to take vacations, purchase my first furniture and buy books, software and my laptop for college, as well as consolidate my old debt. I also opened my daughter's first savings account here. **Being a member has been and continues to be a great experience.**" – Marissa A.

"It has been a pleasure being a member for over 40 years! I taught at an elementary school and enjoyed every minute of my career in NJ. Over the years, I used Asbury Park, Neptune, Wall, and also Toms River locations. Great service, and now since relocating out of state—all is done online. You have offered many great incentives and scholarships. In fact, two of my grandchildren qualified as winners of the Erma Dorrer Scholarship.

Your services helped one of my children buy a home. Special savings accounts helped with money toward a grandchild's college tuition. You made it easy for me to have a daughter added as an account owner to help with any financial affairs. **You are the best Credit Union, great offerings and wonderful service**! Thank you for your ongoing service." – Mary B.

Letters from Santa

Once again for 2021, Santa will be sending out letters to all the children on First Financial's nice list! Complete our online wish list form by **Monday, December 13th** to receive a letter from the North Pole this holiday season.

SUBMIT ONLINE at firstffcu.com

First Financial
FEDERAL CREDIT UNION
Putting people first since 1936.

SOCIAL SECURITY'S UNCERTAIN FUTURE: WHAT YOU SHOULD KNOW

First Financial
Investment & Retirement Center

Social Security is a pay-as-you-go system, which means today's workers are paying taxes for the benefits received by today's retirees. However, demographic trends such as lower birth rates, higher retirement rates, and longer life spans are causing long-run fiscal challenges. There are simply not enough U.S. workers to support the growing number of beneficiaries. Social Security is not in danger of collapsing, but the clock is ticking on the program's ability to pay full benefits.

Each year, the Trustees of the Social Security Trust Funds provide a detailed report to Congress that tracks the program's current financial condition and projected financial outlook. In the latest report, released in August 2021, the Trustees estimate that the retirement program will have funds to pay full benefits only until 2033, unless Congress acts to shore up the program. This day of reckoning is expected to come one year sooner than previously projected because of the economic fallout from the COVID-19 pandemic.

Report Highlights

Social Security consists of two programs, each with its own financial account (trust fund) that holds the payroll taxes that are collected to pay benefits. Retired workers, their families, and survivors of workers receive monthly benefits under the Old-Age and Survivors Insurance (OASI) program; disabled workers and their families receive monthly benefits under the Disability Insurance (DI) program. The combined programs are referred to as OASDI.

Combined OASDI costs are projected to exceed total income (including interest) in 2021, and the Treasury will withdraw reserves to help pay benefits. The Trustees project that the combined reserves will be depleted in 2034. After that, payroll tax revenue alone should be sufficient to pay about 78% of scheduled benefits. OASDI projections are hypothetical, because the OASI and DI Trusts are separate, and generally one program's taxes and reserves cannot be used to fund the other program.

The OASI Trust Fund, considered separately, is projected to be depleted in 2033. Payroll tax revenue alone would then be sufficient to pay 76% of scheduled OASI benefits.

The DI Trust Fund is projected to be depleted in 2057, eight years sooner than estimated in last year's report. Once the trust fund is depleted, payroll tax revenue alone would be sufficient to pay 91% of scheduled benefits.

Proposed Fixes

The Trustees continue to urge Congress to address the financial challenges facing these programs soon, so that solutions will be less drastic and may be implemented gradually, lessening the impact on the public. Combining some of the following solutions may also help soften the impact of any one solution.

- Raising the current Social Security payroll tax rate (currently 12.4%). Half is paid by the employee and half by the employer (self-employed individuals pay the full 12.4%). An immediate and permanent payroll tax increase of 3.36 percentage points to 15.76% would be needed to cover the long-range revenue shortfall (4.20 percentage points to 16.60% if the increase started in 2034).
- Raising or eliminating the ceiling on wages subject to Social Security payroll taxes ($142,800 in 2021).
- Raising the full retirement age beyond the currently scheduled age of 67 (for anyone born in 1960 or later).
- Reducing future benefits. To address the long-term revenue shortfall, scheduled benefits would have to be immediately and permanently reduced by about 21% for all current and future beneficiaries, or by about 25% if reductions were applied only to those who initially become eligible for benefits in 2021 or later.
- Changing the benefit formula that is used to calculate benefits.
- Calculating the annual cost-of-living adjustment for benefits differently.

Pandemic Impact

The 2021 Trustees Report states that Social Security's short-term finances were "significantly affected" by the pandemic and the severe but short-lived recession in 2020. "Employment, earnings, interest rates, and GDP [gross domestic product] dropped substantially in the second calendar quarter of 2020 and are assumed to rise gradually thereafter toward recovery by 2023, with the level of worker productivity and thus GDP assumed to be permanently lowered by 1%." The projections also accounted for elevated mortality rates over the period 2020 through 2023 and delays in births and immigration. Because payroll tax revenues are rebounding quickly, the damage to the program was not as great as many feared.

Sharp increases in consumer prices in July and August suggest that beneficiaries might receive the highest annual benefit increase since 1983 starting in January 2022. The Social Security Administration's chief actuary has estimated that the 2022 cost-of-living adjustment (COLA) will be close to 6.0%.1 (The official COLA had not been announced at the time of this writing).

What's at Stake for You?

The Census Bureau has estimated that 2.8 million Americans ages 55 and older filed for Social Security benefits earlier than they had anticipated because of COVID-19.2 Many older workers may have been pushed into retirement after losing their jobs or because they had health concerns.

If you regret starting your Social Security benefits earlier than planned, you can withdraw your application within 12 months of your original claim and reapply later. But you can do this only once, and you must repay all the benefits you received. Otherwise, if you've reached full retirement age, you may voluntarily suspend benefits and restart them later. Either of these moves would result in a higher future benefit.

Even if you won't depend on Social Security to survive, the benefits could amount to a meaningful portion of your retirement income. An estimate of your monthly retirement benefit can be found on your Social Security Statement, which can be accessed when you sign up for a my Social Security account on SSA.gov. If you aren't receiving benefits and haven't registered for an online account, you should receive an annual statement in the mail starting at age 60.

No matter what the future holds for Social Security, your retirement destiny is still in your hands. But it may be more important than ever to save as much as possible for retirement while you are working. Don't wait until you have one foot out the door to consider your retirement income strategy.

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**

All information is from the 2021 Social Security Trustees Report, except for: 1) AARP, September 15, 2021 2) U.S. Census Bureau, 2021

HOW TO PREVENT PERSON-TO-PERSON PAYMENT SCAMS

Person-to-person (P2P) payment options have certainly made paying back borrowed money to friends and family very convenient. From going out to eat and splitting the tab, to chipping in for a gift, or paying a trusted contact for a service – P2P payment services have made our lives quick and easy. However, if you are a user of a P2P payment service such as Zelle, Square Cash, PayPal, Venmo, Facebook Payments, Google Wallet, Apple Pay, Payzur, and the like – buyer beware.

Continue reading to ensure you know how to spot a P2P payment scam so that you don't fall victim to this type of fraud. P2P scams are extremely serious, because the victim unfortunately usually is not protected from money lost and fraudulent access to their account(s).

Why are victims of P2P scams usually not protected?

Due to the fact that P2P transactions are consumer initiated, there is not much protection when a fraudulent transaction occurs – because technically the consumer authorized the transaction. Whether it's the actual consumer or a fraudster who initiated the payment service transfer, there really is no way to prove it. In addition, user error is often not covered either. Most P2P apps have user agreements prior to first time use, where the user agrees when money is sent through the app – any losses are on the user, since they authorized a transaction.

Recently, Zelle's P2P service added a measure to help prevent users from sending money to the wrong person. Zelle now includes a pop-up warning if a user is trying to send money to someone who is not in their contacts, which makes them think twice before allowing the funds to leave their account.

How does a P2P scam work?

A P2P scam is basically an account takeover scam. Fraudsters will send text messages to an unsuspecting consumer, appearing as if the message is coming from the individual's financial institution.

- The text will usually appear to come from the individual's financial institution (aka: spoofing) and will warn them of suspicious debit card activity.
- For those who respond to this fraudulent text, the fraudster will call that consumer also spoofing the financial institution's phone number – and claim they are from the bank's fraud department and would like to verify a suspicious transaction.
- The fraudster will then try to get the unsuspecting consumer to verify their identity, and let them know a passcode will be sent via text message – and that the consumer must provide the passcode over the phone.
- Once the fraudster has that passcode, they'll attempt a transaction that triggers another two-step authentication passcode (such as forgot password so they can reset the consumer's password, or they'll try to initiate a P2P transaction).
- The fraudster now has access to all of the consumer's accounts within Online Banking, as well as access to their P2P payment service if one is provided through the bank (such as Zelle) – and will begin using P2P payments to transfer money to themselves.

How can I make sure I don't become a P2P scam victim?

- Only send money to people you actually know. P2P transactions are instantaneous (meaning they happen within seconds) and are often irreversible.
- Get all of your recipient's details prior to initiating a P2P payment. Before you press "send" or "pay," be sure you have the correct user name, phone number, photo, or other identifier.
- Confirm you know how to get help if something goes wrong. Before using a P2P service, search the app for procedures and customer service contacts. Know who to reach out to if you have a problem.
- **Keep your app updated.** Hackers usually look to exploit vulnerabilities. If your software is not up to date, you're missing out on protections. Be sure automatic updates are turned on so you know you're covered.

While P2P services are a useful and convenient way to pay those you know without having to go to the ATM or get change – it's important to also be aware of the risks and ways to avoid fraud while using them.

Always remember that your legitimate financial institution will never ask you for your login credentials, passcodes, or user name. If you have additional questions or concerns about P2P payment services or have been a victim of a P2P scam in relation to a First Financial account, please give us a call at **732.312.1500** or email us at **info@firstffcu.com.**

Article Sources: CUNA Mutual Group 2019 Peer-to-Peer Payments Risk Overview and CUNA Mutual Group Risk Alert – Sophisticated Scams Lead to P2P Fraud (May 12, 2020) For details, visit blog.firstffcu.com/2021/06/02/how-to-prevent-person-to-person-payment-scams/

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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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
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