Member Insights

From the desk of the President/CEO:

Back to School, Staying Strong Against Fraud

The summer of 2025 is coming to a close and with that millions of parents and students are getting prepared for the new school year.



As we announced last month your credit union now offers private student loans for current college students and consolidation student loans for those out of school but still carrying multiple student loans. We are only one month into these new offerings, but the interest from our membership in student loans has been tremendous. The credit union hosted a webinar and in-person seminar and it's clear that many members are seeking help financing higher education costs, and that there is continued uncertainty about the state of the current federal student loan programs.

We don't want college debt to overwhelm members so our programs are designed to try and ease the burden by offering a small, good faith payment in school, which helps a student build credit, but also reduces the overall burden upon graduation. We make the process of applying easy. For those interested in a student loan visit merckcu.com/student-loans.

The credit union also recently expanded its home equity borrowing options by increasing the maximum borrowing amount from $100,000 to $200,000 as we recognize many members have considerable equity they want access to. To compliment that, we now offer a new 10-year equity loan option to give members more flexibility to find a payment level they are comfortable with.

What's With Rates?

Anyone paying attention to the financial news knows there's nothing more debated today than where the Federal Reserve will go next with interest rates. The Fed has considerable influence over short-term rates by setting the interest level on the Fed Funds rate. The Fed's mandate is to keep inflation in check and maintain strong employment when considering where to move rates. There is a strong consensus that the Fed may start reducing rates at its September meeting, but of course many things can happen between now and then. For our members it's important to recognize that there are rate changes coming in the near future, which impacts borrowing costs and yields on savings. Your credit union allows you to lock in higher deposit yields with our CD programs and we encourage all members to get familiar with our 6 month and 12-month CD programs. If you are considering making a major loan commitment, such as a mortgage, it's a good time to be keeping an eye on mortgage rates as the Fed takes action. Mortgage rates are most influenced by the 10-year treasury, which the Fed has less influence over, so don't assume mortgage rates will come down automatically if the Fed moves overnight rates lower.

Fighting Fraudsters is A Full Time Job

Finally, we again encourage members not to give out any personal identifiable information to any person, online service, phone system, etc. that you are not familiar with. We continue to see sad cases of members falling victim to tech scams where they believe they must provide information to scammers to get their computer systems back online. Don't do it. No legitimate provider or partner will prompt you on a computer screen or phone to provide banking credentials due to a computer problem. It is not real.

The fraud fight will likely never end as AI and more sophisticated technologies make it harder to determine what is real and what is not. The best thing members can do is be cautious and skeptical of any communication asking for personal identifiable information. We also urge members to set up account alerts or sign up for our Carefull fraud prevention service to become better protected from fraudsters.

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The "New" Basics of Required Minimum Distributions

Congress has made a number of changes to retirement accounts in recent years. For Individual Retirement (IRA) account holders it's important to understand the new rules surrounding Required Minimum Distributions. RMDs are required by the IRS, and failure to take RMDs will lead to penalties. They are not optional. RMDs apply to IRAs, 401ks, and 403bs. Roth IRA accounts do not require the owners to take RMDs, but upon death RMDs in Roth IRAs are required to be taken by the beneficiaries.

When Do RMDs start?

IRA holders are required to start taking RMDs by April 1st of the year after you turn 73. For every year thereafter you must take it by Dec. 31. The RMD age was changed to 73 in 2023 and is set to move to 75 in 2033.

Depending when you were born, you may have already started taking RMDs based on the former age guidelines. To clarify your RMD age requirement, see the below chart:

Born Before July 1, 1949	RMDs started at age 70 1/2
Born July 1, 1949 to December 31, 1950	RMD age is 72
Born January 1, 1951 to December 31, 1959	RMD age is 73
Born after January 1, 1960	RMD age is 75

What is my RMD amount?

Your RMD will change annually. The factors that determine your RMD are your age and account balance. You can help determine your RMD by checking this IRA RMD link (http://bit.ly/4lMaS1j). The credit union has made this process easier as members can check what their RMD is by logging into online banking and clicking the IRA Details tab to find out what their RMD is for the year.

What to do if I have more than one IRA?

Some members have more than one IRA. If so you must calculate the RMD for each IRA, but you can satisfy the RMD requirement by taking the full RMD from just one IRA, or multiple IRAs. As long as the full amount due across all IRAs is taken, the RMD requirement is satisfied.

Inherited IRAs Became More Complicated

The rules around inherited IRAs have changed dramatically and the credit union always recommends members in this situation seek tax advice. In general, for non-spouse beneficiaries the inherited IRA must be exhausted in 10 years. This is a significant change from the prior rule where there was no timeframe. Again, we recommend members in this scenario consult a tax consultant as some scenarios vary.

Can I take my RMD and Keep it in My IRA?

No you can not put your RMD in any tax deferred account. You can keep it in a regular savings or checking account, invest it, spend it, etc., but it can not be in a tax deferred account.

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