December 2023

# Member Insights

MERCK EMPLOYEES
FEDERAL CREDIT UNION

*From the desk of the President/CEO:*

## Happy Holidays From Your Credit Union!

It's a special time of year and we want to wish all our members a wonderful holiday season and best wishes for a safe and joyous New Year!

I urge all members to please read the fraud prevention story on page 1. Please note we have seen so many instances of members' checks being stolen out of the mail that we ask members to avoid this practice. Feel free to contact the credit union if you want to hear about other ways to move money electronically to eliminate the problem of checks being stolen from the mail. This is a growing, pervasive problem and we don't make this recommendation lightly.

As we head into 2024, your credit union is very focused on upgrading internal systems as well as our online and mobile banking systems. While our internal system upgrade will provide several great benefits for the credit union operationally from a risk perspective and overall efficiency, the biggest change you will see as a member is with online and mobile banking. With all that we do, safety and soundness of our members' financial lives is our top priority. As a reminder, this conversion will happen April 1st and as with all system conversions there will be some down time where you will not be able to access online banking. This is unavoidable and in the best interest of the credit union and your accounts. We will provide a timeline of milestones as we get closer.

As this newsletter is coming out, we are nearing the end of Member Appreciation Season. Congrats to our surprise gift card winners (some shown in this newsletter) and we look forward to each year providing the loan specials that have become a

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## Make it a Safe Holiday Season with These Important Fraud Tips!

The credit union wishes all our members a safe and joyous holiday season with family and friends. The holiday season unfortunately is a prime time for financial fraud. We urge members to review the below tips to prevent financial fraud:

- **Avoid Mailing Paper Checks!** Over the past year the credit union has cautioned members about mailing paper checks through the mail. Why? There has been a surge of checks being stolen out of residential mailboxes as well as the iconic blue U.S. Postal Service boxes. These checks are then "washed" (a process where a fraudster uses a chemical solvent to remove the payee name, amount, and other check details), and deposited fraudulently. Your credit union tracks fraud trends very closely, works with authorities and has some of the most stringent anti-fraud procedures in place. At this time we recommend that no paper checks be mailed. The trend of checks being stolen from the mail has been particularly acute in the New Jersey area and many of the checks that are stolen were mailed at U.S. Postal Office facilities. The U.S. Postal Service is working on improving security, but the best prevention is to avoid or at least limit mailing paper checks. In one recent example, a member mailed a check from the Linden, NJ area to a business in Toms River, NJ. The check was stolen, washed, a much larger amount was added, and the payee was changed. The fraudulent check was deposited at a bank ATM in Florida. This is an example of a stolen check that made its way many states away in just a few days. This problem is real and the credit union urges caution. There are many other methods today to make payments to businesses and individuals. Some members are fearful of electronic methods such as ACH and bill pay, but these systems come with excellent fraud prevention systems and the creditor or your credit union can more quickly intervene if there is a problem.
- **Beware Text, Email and Phone Scams.** This is not a new story, but the techniques continue to change. From fraudulent phone calls of a loved one in jail or an unpaid IRS tax bill, to the classic tech support phone call or Amazon order text, scammers simply want your information. No matter what the scenario, do not give out personal information to anyone you have any doubts about. One scam that has been particularly pervasive this year is when a company (BestBuy's GeekSquad is a popular one) claims to have incorrectly billed the member for a higher amount than they should have been billed or not been billed at all. They ask for account information to refund the funds into your account. Once the account information is compromised the fraud begins. The examples in this area are too numerous to mention here. The bottomline is do not give out any personal information to anyone that you did not initiate. The credit union is happy to take any inquiries from members who may be unsure and we are proud that we have helped many members avoid these situations.

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## Featured Loan & Deposit Rates

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|---|---|---|---|---|
| **Auto Loans as low as 5.35% APR*** | **E-Checking 0.125% APR*** | **Credit Cards as low as 13.50% APR*** | **Share Cert. 6 months 3.92% APY*** | **Share Cert. 12 months 4.60% APY*** |
| **Savings 1.25% APR*** | **IRAs 1.80% APR*** | **Home Equity as low as 8.25% APR*** | **IRA Cert. 6 months 3.92% APY*** | **Share Cert. 12 months 4.60% APY*** |

**Annual percentage rate. Visit www.merckcu.com or visit a branch for more information.*

*(Continued from "Happy Holidays...)*

staple of Member Appreciation Season as we look to assist members in their financial lives.

Have a wonderful holiday season and I hope to see or speak with you in the New Year!

Paul Gentile
President/CEO
pgentile@merckefcu.com

## IRS Sets 2024 Retirement Plan Limits

One of the most anticipated moves by the Internal Revenue Service every year is the new limits on funding retirement accounts.

The IRS recently announced that the contribution limits for 401(k), 403(b), and most 457 plans, as well as the federal government's Thrift Savings Plan will increase to $23,000 in 2024, up from $22,500 in 2023.

The IRS also announced that contributions to IRAs will increase from $6,500 in 2023 to $7,000 in 2024. The IRA catch up contribution limit for individuals aged 50 and over was amended under the SECURE 2.0 Act of 2022 to include an annual cost of living adjustment but remains $1,000 for 2024.

Taxpayers can deduct contributions to a traditional IRA (not a Roth IRA) if they meet certain conditions. If during the year either the taxpayer or the taxpayer's spouse was covered by a retirement plan at work, the deduction may be reduced, or phased out, until it is eliminated, depending on filing status and income. (If neither the taxpayer nor the spouse is covered by a retirement plan at work, the phase-outs of the deduction do not apply.) Here are the phase out ranges for 2024:

- For single taxpayers covered by a workplace retirement plan, the phase-out range is increased to between $77,000 and $87,000, up from between $73,000 and $83,000.
- For married couples filing jointly, if the spouse making the IRA contribution is covered by a workplace retirement plan, the phase-out range is increased to between $123,000 and $143,000, up from between $116,000 and $136,000.
- For an IRA contributor who is not covered by a workplace retirement plan and is married to someone who is covered, the phase-out range is increased to between $230,000 and $240,000, up from between $218,000 and $228,000.
- For a married individual filing a separate return who is covered by a workplace retirement plan, the phase-out range is not subject to an annual cost-of-living adjustment and remains between $0 and $10,000.

MERCK EMPLOYEES FEDERAL CREDIT UNION
*Your Prescription to Financial Health*

Member Services: 732-594-3317
Loan Department: 732-594-3018
Debit Card Lost/Stolen: 800-554-8969
Credit Card Lost/Stolen: 800-237-6211

*Established in 1936, Merck EFCU is federally-chartered and federally insured by the National Credit Union Administration.*

NCUA

*(Continued from "Make it a Safe...)*

- **Cyrpto Scams.** We know many people believe in crypto investment vehicles, but it's important to recognize that there are many crypto scams happening today. One important thing to note here is some crypto scams are very hard to identify as members do see their money show up in some sort of crypto account, whether real or fake, but sadly they are later convinced to move the funds to another crypto platform or wallet and this is where the fraud occurs. The credit union has seen numerous examples of this this year. These scams did not happen over night. Over a period of time money was moved to these so-called crypto exchanges or wallets and whether it's positioned as a change of wallet or platform, the money is suddenly stolen. We will never advise members where to invest their money, but urge members to verify all companies they are working with to ensure that they are legitimate and viable. Members should be aware the credit union has stringent policies on wiring funds out of the credit union for your protection.




**Member Appreciation gift card winner:**
**Joseph Schaefer, member for over 20 years.**

## Merck Employees FCU Scholarship Application Now Available!

Each year, the credit union awards six, $5,000 scholarship to high school seniors moving on to the next stage of their higher learning journey. Applicants or their parents/guardians must be members in good standing with the credit union to submit an application.

This year's program will be completed electronically. Applicants can complete the application and email it to scholarship@merckefcu.com. Transcripts, test scores, and teacher recommendations should also be submitted to the same email address. Please note scholarships are available for all levels of next education, including traditional four-year colleges, community colleges, trade schools, etc.

Please note that all applications are due by March 3, 2024. This annual program is just one effort your credit union takes to help young people with their education. We remain committed to improving the financial wellness of all our members through high-quality, low-cost financial products and services. We encourage members to educate themselves using the articles and resources available on the credit union's website.

If you are chosen as a scholarship recipient for 2024, a stipulation of receipt will be your attendance at the credit union's annual meeting in April or a video message submitted to the credit union. This video message will be played at the Annual Meeting in lieu of your attendance.

We wish all applicants the best of luck as they complete their senior years. Please visit https://www.merckcu.com/scholarship for the essay topic and more information. Any questions regarding the scholarship program can be submitted to scholarship@merckefcu.com.