

Upcoming Important Dates & Seminars

Wednesday, February 26
Transitions to Retirement Virtual Seminar, 6pm

Wednesday, March 12
401k Rollover Planning Virtual Seminar, 6pm

Wednesday, March 26
Women and Investing Virtual Seminar, 6pm

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

Financial Resolutions You Can Stick to in the New Year



The New Year is a time for fresh starts, and what better way to begin 2025 than with resolutions that set you up for financial success? Whether you're looking to pay down debt, grow your savings, or gain better control over your finances, these actionable resolutions can help you stay on track.

1. Create a Budget You Can Stick to

A well-crafted budget is the foundation of financial health. It helps you track your spending, identify areas for adjustment, and stay focused on your goals – whether you're saving for a big purchase or paying down debt. Keep your budget realistic – instead of attempting drastic cuts, look for small ways to save, like switching to a less expensive grocery store or canceling unused subscriptions.

2. Review Your Credit Report Regularly

Your credit report is a vital tool for understanding your financial health. It details your credit history, including payment records and account balances, and can help you spot errors or signs of identity theft. Take advantage of the free annual credit report available from each of the three major bureaus (Equifax, Experian, and TransUnion) via AnnualCreditReport.com. Keeping an eye on your credit report ensures you're prepared for any financial goals in the year ahead, like buying a home or securing a loan.

3. Build an Emergency Fund

An emergency fund is your safety net for unexpected expenses, like medical bills or emergency repairs. Aim to save 3-6 months' worth of living expenses in a separate account from other savings. Start small and contribute regularly to grow your fund over time. A dedicated rainy day fund reduces financial stress, keeps you on track with your money goals, and ensures you won't have to dip into your savings or investment accounts.

4. Maximize Employer Offered Benefits

Many employers offer financial wellness benefits that go beyond your paycheck. From retirement plans to student loan assistance, these perks can help you build wealth and reduce financial stress. Take full advantage of your compensation package by participating in employer matched

retirement contributions, exploring wellness stipends, or accessing provided financial advisors. Every employer is different, but ask around and do some research on what is available to you. A dollar saved today can help secure your financial future.

5. Use a Rewards Credit Card Wisely

Credit cards offer valuable rewards and protections when used responsibly. Opt for a cash back or points-based card and use it for everyday purchases, but try to pay off the balance in full each month to avoid interest charges. Credit cards can also be a safer choice than debit cards since they aren't directly connected to a checking account. It can be much easier to recover funds used for fraudulent purchases than if a thief had gained access to your checking or savings account.

6. Consolidate High Interest Debt

High interest debt – such as credit card balances, can hold you back financially. Consider consolidating or refinancing this debt into a personal loan with a fixed interest rate and predictable monthly payments. By consolidating your debt, you can save money on interest and focus on paying off balances faster.

7. Reassess Your Insurance Policies

The start of a new year is an excellent time to review your insurance coverage. Changes in your lifestyle, financial goals, or your home's value may require policy adjustments. From homeowners to auto and life insurance, ensure your coverage meets your current needs.

8. Align Financial Goals with Your Partner

Money management as a couple requires teamwork. Sit down with your partner to discuss individual goals and create a shared financial plan. Regularly review your progress together to ensure your plan adapts to life changes and priorities. Open communication about finances strengthens relationships and ensures you work toward a shared vision for the future.

Make 2025 Your Best Financial Year Yet

Sticking to financial resolutions doesn't have to be difficult. By setting realistic goals and using the right tools, you can make meaningful progress toward financial stability and success. For more tips or to explore our products and services, call 732.312.1500 or visit a branch today.

For more financial tips and resources, subscribe to our First Scoop blog at blog.firstffcu.com



Community Spotlight

Winter Greetings

We hope that you enjoyed the holidays with your loved ones and had the opportunity to reflect on your goals and wishes for the year ahead.

If your organization is planning an in-person or virtual event now that the holiday season has come to a close, please let us know and we would be happy to attend or send materials. Feel free to pass this newsletter along to your employees too—we are here to answer any questions they might have or provide financial advice when they need us!

If you're interested in bringing us to your school or business, contact Business Development at business@firstffcu.com.

We look forward to working with you and your employees to make 2025 the most prosperous year yet.

Sincerely,

**The Business Development
Department at First Financial**



Thanks to our community partners, we stayed connected with the Monmouth and Ocean County communities during the holiday season. Let's take a look at where we've been over the last few months!

At the end of October, we had a busy day of double events at Monmouth University and the Monmouth County Offices. At Monmouth University, we had the pleasure of meeting staff at their employee benefits fair. At the Monmouth County Offices, we attended a Financial Expo to showcase the financial products and resources available by establishing a First Financial membership.

In November, we visited Freehold Township's Municipal Offices to meet with employees who were interested in learning more about First Financial and the banking solutions we offer.

December was full of meeting wonderful partners—from aspiring educators studying at Kean University's Ocean County College campus, to Ocean Township educators, to the staff of Rose Garden Nursing & Rehabilitation Center in Toms River.

We look forward to being a part of any upcoming events you may hold this year. If you would like us to visit your organization or send you virtual materials, please contact Samantha today!

Meet Matthew Koba, Owner of Matticus Bricks LLC in Toms River NJ

Meet Matthew Koba, one of our valued business members. Matthew's journey with First Financial began with his personal banking needs, where he experienced the emphasis on one-on-one relationships that sets us apart. Impressed by the personal touch he received, Matthew decided to explore our business banking options as he started to monetize his social media presence through collaborations. Watch our video interview at youtube.com/FirstFinancialFCU to hear Matthew share his journey and the connection he's forged with us.



Spreading Holiday Cheer

At First Financial, we turned the page on 2024 by donating the proceeds of our holiday food and gift drives to charities in Monmouth & Ocean Counties. We donated food items to Fulfill of Monmouth and Ocean, children's winter coats to the United Way, children's pajama sets to the Pajama Program, and children's books to the Bridge of Books Foundation. We extend a heartfelt thank you to everyone who made these generous donations possible.

Financial Safety Nets: Exploring Available Sources of Emergency Funds

In moments of unexpected financial turmoil, having access to emergency funds can be the difference between a minor inconvenience and a major life disruption. Whether you have a sudden medical bill, car repair, or job loss, knowing where to turn for emergency financial support is crucial. However, not everyone has access to a financial safety net — nearly 60% of U.S. adults are uncomfortable with their level of emergency savings.¹ Fortunately, there are options when it comes to exploring available sources of emergency funds.

Emergency Savings Account

A separate account dedicated solely to emergencies is the cornerstone of any financial plan and acts as the first line of defense in times of crisis. Generally, you'll want to have at least three to six months' worth of living expenses (e.g., mortgage, groceries, or car loan) in a readily accessible account. The actual amount, however, should be based on your particular circumstances, such as your job security, health, and income. In addition, review your emergency fund from time to time — either annually or when your personal or financial situation changes (e.g., a new baby or buying a home).

Credit Cards and Personal Loans

While not ideal, credit cards can provide immediate access to funds in an emergency. They are particularly useful for covering short-term expenses that can be paid off quickly in order to avoid paying high interest rates. Cards that offer balance transfers with low introductory rates can also be used, as long as you are disciplined with your repayments in order to avoid incurring additional debt. Personal loans from banks, credit unions, or online lenders can also be a viable option for covering emergency expenses. These loans often come with fixed interest rates and structured repayment plans. However, loan eligibility and interest rates will vary, depending on the lender and your personal financial situation. And of course it takes time to obtain a loan.

HELOCs

For homeowners, a home equity line of credit (HELOC) is a revolving line of credit secured by the equity you've built in your home. Unlike a home equity loan, which provides a lump sum, a HELOC functions more like a credit card. You can borrow up to a predetermined credit limit and repay over time, with the ability to borrow again as needed during the draw period. This option usually offers lower interest rates and more flexibility compared to credit cards or personal loans. However, there are some drawbacks to using a HELOC. Most HELOCs have variable interest rates, which means payments can increase if

interest rates rise. In addition, since a HELOC is secured by your home, you could face foreclosure if you can't repay it.

Retirement Accounts

When faced with an unexpected expense, another possible source of emergency funds is a retirement account, such as a 401(k) or IRA. Although most withdrawals prior to age 59½ are subject to income tax and a 10% penalty tax, you may be able to take penalty-free early distributions for specific emergencies. These include disability, extraordinary unreimbursed medical expenses, disaster recovery, up to \$1,000 per year for general emergencies, and other situations. Ordinary income taxes and certain restrictions apply.

In addition, many 401(k) plans allow participants to take out loans. Typically, you can borrow up to 50% of your account balance or \$50,000, whichever is less. The loans generally must be repaid within five years unless used for a first-time home purchase. You may also be able to take a hardship withdrawal in certain circumstances. Hardship withdrawals may be subject to the 10% early withdrawal penalty, as well as ordinary income tax. Check with your plan or IRA administrator to see what options are available to you.

Finally, keep in mind that contributions to a Roth IRA can be withdrawn at any time without taxes or penalties, since they are made with after-tax dollars. Nonqualified withdrawals of earnings, on the other hand, are subject to ordinary income taxes and the 10% early withdrawal penalty. Qualified Roth IRA withdrawals are those made after five years and the account owner reaches age 59½, dies, or becomes disabled.



Questions about this topic? 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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1) Bankrate's 2024 Annual Emergency Savings Report

Preparing for Tax Season



Preparing for tax season can feel overwhelming, but it doesn't have to be. With the right planning and advice, you can make the process smoother and maximize your returns. At First Financial, we're here to help - whether you're filing as an individual, a couple, or a small business owner.

1. Preparing as an Individual

Filing your taxes as an individual doesn't have to be overwhelming. Start by gathering all necessary tax documents, such as W-2s, 1099s, and other relevant income statements. Double check that you've received all forms for your accounts - including savings, investments, and retirement. Consider tracking charitable donations, student loan interest, or medical expenses if applicable - to maximize your deductions.

2. Preparing as a Married Couple Filing Jointly

For married couples filing jointly, communication is key. Sit down with your spouse to review all income sources, deductions, and credits you might qualify for. Common credits for joint filers include the Earned Income Tax Credit (EITC) and if you have children, the Child Tax Credit.

Discuss future financial planning as a team. Maximizing retirement contributions or taking advantage of education-related tax breaks could save you money now while setting you up for success down the road. Filing jointly often provides higher income thresholds for deductions, so do your research and take full advantage of these benefits.

3. Preparing as a Small Business Owner

Small business owners have unique tax considerations. Begin by organizing all receipts, invoices, and business-related expenses from the year. Key deductions include office supplies, travel expenses, and even home office deductions. Use accounting software or work with a tax professional to ensure accuracy.

If you're self-employed, don't forget to account for estimated quarterly tax payments made throughout the year. Staying organized and proactive can help you avoid penalties and make the filing process smoother. Organize documents throughout the year in a labeled file binder or cabinet so everything can be easily found when filing.

General Tips for a Successful Tax Season

- **Check All Accounts for Tax Statements:** Ensure you've received all necessary tax forms - including those for bank accounts, mortgage interest statements, investments, and retirement accounts.
- **Organize Your Documents Early:** Staying organized helps streamline the filing process and reduces stress.
- **Plan Financially with Your Partner:** Open conversations about maximizing deductions and credits can help everyone save.
- **File Early:** Avoid the last-minute rush and reduce the risk of identity theft by submitting your taxes early.

Maximize Your Tax Season with First Financial

At First Financial, we're committed to helping you make the most of tax season with exclusive member discounts and financial resources. Learn more on our website at firstffcu.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

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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



Contact Business Development

Samantha Colella
Business Development Representative
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732.312.1421



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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