



Sequoia Federal **SPRING 2020**
Credit Union

EST. 1952 BY REDWOOD CITY SCHOOL EMPLOYEES



MEMBER NEWS



Expecting an Increase in Fuel Dispenser Fraud

Fuel dispenser merchants have been targeted in point-of-sale (POS) malware attacks with fraudsters gaining access through phishing emails containing malware attachments. It is expected that fuel dispenser/pay at the pump skimming instances and POS malware attacks will increase until the October 1, 2020 liability shift deadline. This liability shift will put responsibility for card fraud onto fuel dispenser merchants for failing to deploy EMV chip card readers instead of card issuers.

Details

Most pay at the pump fuel dispensers are still operating with outdated technology that can only read payment card data from the card's magnetic stripe. Until the October 1, 2020 liability shift – putting liability on fuel dispenser merchants – gas pumps will continue to be at risk for fraud whether its POS malware fraud or pay at the pump skimming. This risk cannot be minimized until fuel dispensers upgrade their equipment to accept EMV chip cards. In fact, outdated systems may have contributed to one of the largest payment card breaches announced in December 2019, involving Wawa Inc., a fuel and convenience store chain. This data breach solidifies the severity and need for fuel dispensers to move to updated technology. The breach affected 30 million credit and debit cards between 3/4/2019 to 12/12/2019. Visa® issued a series of alerts indicating data was compromised – which significantly increases the risk of counterfeit mag stripe fraud. Fraudsters purchasing the breached card information can create counterfeit magnetic stripe cards which are still accepted at merchants that have not yet upgraded to EMV chip card readers. We wish to continue educating members and alert you about phishing scams, which often occur after a major card breach. Fraudsters often launch phishing attacks after a breach to obtain additional information, such as a debit card PIN, or the CVV2 code for online transactions. Remember your credit union will never email, text or call you to validate personal information.

Happy New Year to all of our Members!

This is a good time to check your recurring Bill Pay transactions. Check each one that you have already set up to make sure the amounts are still valid and each address is up to date. This additional step will ensure that each of your important payments will get delivered correctly and possibly avoid any fees or penalties that your vendors might charge.

Courtesy Pay Fees

Checking account balance low? Need to pay for something over \$20 that will overdraw your account with your debit card? STOP! If you proceed with that purchase you will incur a \$25 fee. Every transaction that overdraws your account will trigger a \$25 fee. The best way to use the Courtesy Pay program is to make one overdraft for the full allowed monthly amount of \$500. You can make that withdrawal here at the credit union office. That way you will avoid multiple \$25 fees in one month. We at Sequoia Federal Credit Union want to minimize fees as much as possible and hope this will help you help yourself.

Your Credit Union During The COVID-19 Crisis

Amid ongoing concerns about the Coronavirus COVID-19, Sequoia FCU is closely monitoring the latest reports from the Centers for Disease Control (CDC) and has taken a number of precautionary measures for the health and safety of our members and employees.

I wanted to personally reach out and share a few of the ways we are here to serve you, our member, during this time.

We encourage you to **access your account from home 24/7** using on-line banking or the Sequoia Mobile App to view transactions, check balances, make payments, and more.

If you've been impacted by COVID-19 and need our support, we're here to help. Please contact us at 650 366-7777 Monday to Friday 9:00 am to 5:00 pm.

If you visit our office, please know, we are available to serve you, as always. We routinely instruct employees to frequently wash their hands, cover their mouth & nose when coughing, disinfect their work area, and take appropriate self-quarantine actions when they are ill, all pursuant to the guidance from the Centers for Disease Control. We've augmented daily cleaning procedures with the use of stronger disinfectant products on high-touch surfaces, and have made hand sanitizer readily available.

The ACH (automated clearing house or Direct Deposit System) is available for those wanting to set up regular loan payments or deposits electronically at no charge to our members. Please contact us for details!

We will continue to closely monitor the situation and evaluate additional measures to support our members and communities as needs arise. For additional information about COVID-19, **get the latest report from the Centers for Disease Control at [cdc.gov](https://www.cdc.gov)** or your local health department website.



Your Path to a Better Future!

MEMBER NEWS

SPRING 2020

NEW VISA DEBIT CARD PROGRAM! COMING JUNE 1, 2020

We are taking steps to upgrade our VISA Debit card program for members. It is exciting to bring you a full array of new features that will be enjoyed by all.

There will also be a new rewards program to enhance the following features through our CO-OP affiliation:

- ♦ CardNav – member ability to turn on and off the card, set travel dates without calling the credit union, set notifications for dollar limits, and more!
- ♦ mySequoia Rewards – earn points to spend at preferred stores, discounts at the pump, redemption for gift cards, and more!
- ♦ All new account numbers – For all of our security and safety we will get new cards with the chip. Set your own PIN!

Cards will be produced during May and June. You will receive more information regarding the issuance of your cards in the near future.

Thank you for your patience as we make this exciting change.

Board of Directors 2020

President	J. Arthur White
Vice-President	Virginia Padron
Secretary	Dottress Rollin
Treasurer	Rochelle Kirchner
Member	Gary Whitney
Member	Kevin Sugar
Member	Alma Ontiveros

Holiday Schedule

Apr 10	Good Friday (close at noon)
May 25	Memorial Day
July 3	Independence Day

Treasurer's Report Statement of Financial Condition December 31

	<u>2018</u>	<u>2019</u>
Assets:		
Loans (net)	\$ 15,906,830	\$ 18,787,138
Cash and Investments	13,864,205	12,616,127
Accrued Interest Income	88,069	91,544
Deferred Expenses	95,732	39,123
Property, Furniture & Equipment	2,275,252	2,239,155
Other Assets	405,858	380,484
Total Assets	<u><u>\$ 32,635,946</u></u>	<u><u>\$ 34,153,572</u></u>
Liabilities:		
Accrued Liabilities	\$ 101,672	\$ 104,196
Notes Payable	1,040,017	-
Member Shares	27,994,242	30,122,377
Equity:		
Regular Reserve	611,165	611,165
Undivided Earnings	3,126,958	3,226,527
Unrealized Gain/(Loss) on AFS	(238,108)	89,307
Total Liabilities & Equity	<u><u>\$ 32,635,946</u></u>	<u><u>\$ 34,153,572</u></u>

Income Statement Year Ended December 31

	<u>2018</u>	<u>2019</u>
Operating Income:		
Interest on Loans	\$ 711,272	\$ 823,571
Income from Investments	309,411	272,955
Fees & Other Income	265,348	250,659
Total Operating Income	<u>1,286,031</u>	<u>1,347,185</u>
Operating Expenses:		
Compensation & Benefits	544,653	610,955
Conference & Education	16,727	10,658
Professional Services & Dues	129,669	120,899
Office Ops & Loan Servicing	290,212	341,033
Office Occupancy	89,782	84,004
Provision for Loan Losses	21,802	13,495
Misc Operating Expense	17,939	17,969
Total Operating Expense	<u>1,110,784</u>	<u>1,199,013</u>
Other Income/(Expense)	(8,284)	499
Income (Loss) before Dividends	<u>166,963</u>	<u>148,670</u>
Dividends	19,126	49,102
Net Income(Loss)	<u><u>\$ 147,837</u></u>	<u><u>\$ 99,569</u></u>

