

Money Matters

April 2019

Safer Surfing

“Data security breaches” have impacted most, if not all of us! In the last couple of years, just a few of the larger data hacks have impacted nearly 800 million consumer profiles: credit agencies (143 million), hotel chains (500 million), and social media platforms (143 million). Fortunately, we’re all getting better at recognizing threats.

Your Credit Union, for example, invests heavily in cutting-edge digital technology and is constantly probing for weaknesses to anticipate and pre-empt threats.

To help us bring our “A Game” and make online-browsing a happier, safer experience, here are a few easy tips from cyber-security experts:

- 1. If a site does not have “https” at the beginning of its URL, your browsing is much less secure and more easily hacked.** Avoid such sites if possible, as well as ones with excessive ads or pop-ups, which are more likely to put you in harm’s way.

- 2. A child’s identity can be as valuable and problematic in malicious hands as an adult’s. Monitor your kids’ online activity and always think twice about giving out their dates of birth, addresses, and SSNs** — even to sites that seem legit — without first questioning why the info is needed.



- 3. Data is useless if you lose it.** Back up your valuable files, like your private photos and tax information, on a regular basis.

- 4. Remember that threats are constantly changing** and new scams appear daily. Make sure you download relevant security updates and patches, and be vigilant. A great way to do this without being a cyber-security expert is to visit our *Trace Security* platform at figfcu.org/trace-security and sign up for our handy news and alerts email updates.

- 5. Use a virtual private network (VPN),** whenever possible. A Starbucks or other public Wi-Fi network (mobile hotspots included) can be convenient, but when using any Wi-Fi network, it’s much safer to connect to it via a VPN which encrypts communication from your computer, so it can’t be intercepted by those around you.

- 6. Think about when it’s appropriate to use geo-location.** This has advantages, like allowing advertisers to provide location-specific offers, or as a security blanket by letting your close family and friends know where you are at the moment. However, it can also be used for sinister reasons, like knowing when specifically you are out in order to burglarize your home. So, before you “check in” on Facebook, consider the downsides, too.



Stay connected, be productive — and stay safe! Sign up for *Credit Sense* to help monitor your credit & find ways to save money. ■



CEO's View

You've heard it before, but I'll say it again—this is a great place to save your money and see it grow! And there are some very good reasons to save — given our remarkably long run of economic growth in the U.S. and globally. There is a sense — and some “leading economic indicators” to back this up — that we might be ready for a reversal sooner, rather than later.

So having a “rainy day” fund for downturns, the loss of employment or income reduction is a necessity. Even without a recession, personal emergencies crop up periodically and having cash to take care of these without having to use a credit card or loan “Band Aid®” makes sense. While we love lending you money at great rates — and will always support our members when they need a hand — our responsibility is to help you manage debt as constructively as possible. For this reason, we encourage you to use loans to build wealth and opportunity — for example a student loan as an investment in your child's future, or a home loan through our *Community Mortgage Funding* organization.

To help your money work harder for you, we recently increased savings rates substantially — our 18-Month Certificate and Online Savings account to name just two. However, we felt that we needed to get you more excited about saving, which is why we developed TWO new savings accounts designed to make saving an even smarter and more compelling option!

Last month we introduced our Rainy Day savings account that provides a safe home for emergency funds and offers a phenomenal 3% earnings rate on balances up to \$2,000 — thereafter, our lower but still excellent membership-savings rate. This really is an outstanding opportunity to save, and I encourage you to take full advantage of it.

Feeling lucky to have access to rates most banks simply don't offer? Well, sometimes luck needs a little push, which is why we introduced a second new savings account, called Lucky Savings. Unlike games of chance, with this account you can only win. For every \$25 invested you get one entry into a prize pool that rewards a lucky member with \$1,000 each month. The more \$25 savings increments, the better your chances. For example, deposit \$500 in a month and get 20 chances to win. Better yet, the money you save stays put and grows with a healthy interest rate. There are a few restrictions, like using new funds and not making excessive withdrawals within a year. After all, the idea is to encourage you to save!

If this has piqued your interest, please, put cash aside and let it grow. Think of the peace of mind savings represents and the freedom it gives you to pursue your goals, knowing that if the worst happens, you're covered.

Laura O. Campbell

Laura Campbell
President & CEO

PS: If you are fortunate enough to be getting a tax refund or other bonus this year (like the Farmers STIP), put some into Lucky Savings. Hey, you never know.

Charity Begins

At Home



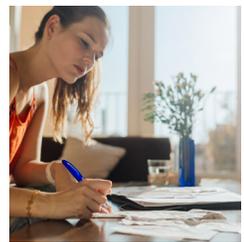
Pheww!! The 2018 tax season is almost over. And, by now you've probably realized that the new tax-code impacts some cherished institutions, like rebates and charitable donations. The new, higher standard deductions eliminate the need for many of us to itemize deductions — meaning less incentive for charitable giving. This could put a damper on our generosity — \$420 billion last year alone.

Not to worry. We have some expert tips to help members do good by others as well as by themselves.

- Avoid nasty surprises next year by setting up a tax fund, for example our free **Tax Saver** account. This is a great way to grow a nest-egg painlessly with interest.
- There's a reason our no-fee **Financial Wellness Check** is so popular. We identify easy ways to grow wealth and avoid costly pitfalls. A relaxed, no-commitment session with a Branch Counselor will leave you with an estimate of how much more you can earn and save for the things that matter.
- To help ensure your generosity works hard, start by checking out these leading oversight and rating organizations: *Guidestar.org*, *CharityNavigator.org* and *Give.org*.
- **Keep your charitable-donation receipts and bundle these up for two or more years** until you have sufficiently accumulated a value to exceed the standard deduction. And, remember, that for all items worth \$500 or less, just a simple receipt is needed (a formal valuation is only necessary for higher values).



- A large bonus or commission could mean you can be extra generous some years, and Donor Advised Funds are an increasingly popular way of doing this. A lump sum, typically \$5,000 and up, goes to a professionally managed fund. You take the tax-break that year but can disburse funds over time to charities of your choosing. Feel like Bill Gates without having to set up a multi-billion dollar foundation! However, there are small management fees, typically starting at 0.5%.
- **Save receipts** for the cost of those baked or craft goods or expenses for hosting a charity party/event. And, when you volunteer unpaid for a recognized charity, claim the cost of babysitters and other associated expenses.
- If you need to take minimum withdrawals from an IRA or retirement plan, because you are 70 1/2 or older, make direct donations to a good cause with IRA pretax dollars. You'll reduce taxable income dollar-for-dollar, even if you plan to claim the standard deduction and not itemize. ■





Employee Spotlight



Meet Senior
Financial Analyst

**“Fredie”
Sapungan**

Your Credit Union is full of people who love to help members. Some you know, and some are “hidden heroes.” Get to know one of these back office MVPs a bit better in this Spotlight issue.

Five hashtags that describe you?

#goofballsrule #makemoneydogood
#chickenfeetfoodie #tagalogalicious #adoptazombie

Fun Facts?

I grew up in the Philippines (Manila) where our official language is Tagalog [pron. Ta-ga-log]. People are very friendly and open, so hospitable in fact that kids can run to a neighbor’s house on impulse and get a hot-n-ready meal and warm welcome anytime. I promise I won’t randomly visit you, but if you like zombies, *I Love Lucy*, chicken feet adobo, and Guns N’ Roses, we will get along very well!

In your own words—what is your job?

I help us [the Credit Union] be financially sound. The stronger we are financially, the better we can serve our members. I could go into all the accounting-friendly details, but don’t want to make you cry.

Something surprising about me?

On the surface, I’m your reserved “Clark Kent” finance and Excel geek, but underneath I’m a “super jokester.” Beware! And, my ambition, when very young, was to be a go-getting corporate professional. I feel fulfilled when I can share my skills, knowledge and ideas to achieve success and deliver value.

A piece of wisdom to live by?

I love the sentiment that every second is a second chance. Be optimistic, be curious, and if you find yourself in adverse circumstances, push through and learn from this to do better. ■

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Loan Rates

AUTO Fixed Rates	
Term	Fixed Rate (APR ¹ as low as)
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60 mo.	2.99%
72 mo.	3.49%

¹APR=Annual Percentage Rate. Rates listed are current as of 12/1/2018 and are subject to change without notice. Rates shown are our preferred rates based on credit worthiness, loan-to-value and a 1.00% discount based on \$1,000 monthly recurring Direct Deposit/Folio Direct Deposit into a single Farmers Insurance Federal Credit Union checking account AND Automatic Repayment, if applicable an additional 0.25% discount when you purchase through the Farmers Insurance Car Buying Service. ²Home Equity loans are available in all states except Alabama, Alaska, Florida, Hawaii and Louisiana. Lines of Credit are available in all states except Alabama, Alaska, Florida, Hawaii, Texas and Louisiana. ³Maximum combined Loan-to-Value of 100%.

HOME EQUITY LINE OF CREDIT ²	
% Financed	Variable Rate (APR ¹ as low as)
Up to 100% ³ (owner occupied)	4.99%

HOME EQUITY ² Terms up to 240 months	
% Financed	FIXED Rate (APR ¹ as low as)
Up to 100% ³ (owner occupied)	5.49%

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Calendar



APR

Annual Meeting

24

at 12:30 PM PT

Farmers Insurance
Federal Credit Union
4601 Wilshire Blvd.
Suite 110
Los Angeles, CA 90010

MAY

Memorial Day

27

Credit Union Closed

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