

# Money Matters

Agent Edition

## Overspending —And How Not To

**N**ot many of us closely identify with movies like “Confessions of a Shopaholic,” (at least publically!) but many have an over-spending gene in us. Like a good financial advisor—we’re here to help keep that bad boy at bay by highlighting some top psychological, overspending triggers. We’ll tell you how to recognize these and proven ways to combat them, saving you a lot of money! Which of course you can invest productively with the Credit Union. To keep your money out of temptation’s reach, read on!



**The “What the?!” effect.** Once in a deep hole—we tend to worry less about making it a few inches deeper. Why worry, for example, about spending a few more dollars on a nice meal to forget financial pain? But you can turn this around. *Time*

*Magazine* cites research showing that “spending” time on experiences instead of material things will make us happy more consistently. So if you’re feeling financially overwhelmed, spend some quality time with a friend. Preferably a money-savvy one!

Speaking of spending as a cure, *psychologytoday.com* tells us that we’re vulnerable to Retail Therapy. When feeling down, shopping for nice things helps us visualize ourselves in a “better” life and can improve our mood, but only fleetingly. Long

term, you’ll feel better by delaying gratification—technically called **Delayed Reward Discounting**. Wait 10 minutes and usually the impulse to indulge has passed.



It’s not just specific triggers that make us vulnerable. We’re generally lower on willpower as the day progresses—often due to **Decision Fatigue**. Research suggests we have limited reserves of willpower, and the decisions we make

throughout the day deplete these, leading us to act impulsively. Shopping early in the day will minimize the risk of impulse spending.



**Anchoring.** Also called the halo effect. When shopping for an item with an original price of say \$500 marked down to \$50, we generally focus on the discount from the anchor price (\$500). This casts a positive halo on the item, and we

often forget to question if it’s even worth the \$50. Walk away for 10 minutes, then return with fresh eyes—you’ll make a better decision.

One kind of good “anchoring” our members can rely on is the Credit Union, our great value-for-money, and our financial guidance. Like our free **Financial Wellness Checks** that point you to low-

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## CEO's View

Like many avid readers, I love the smell of print on paper, and the act of turning a page. But I also love the ability to read off a tablet which can carry literally millions of books, and many more links to explanatory text. All without the added weight! On this note, I am pleased to announce that we are turning our own page, as it were, and moving our *Money Matters* newsletter to an all-digital, interactive format starting January 2020. I think you'll like what you see!

Of course, we also use digital technology purposefully, in many other varied ways. We own our own banking technology company, and invest in partnerships that support enhanced capabilities and a better member experience. And we recently invested in one such partnership called CUPayz, which will make your banking experience even more efficient and streamlined in the upcoming years.

Like the experience of thumbing a favorite book, however, there are things that technology can't replace. Algorithms and artificial intelligence applications are great. But in the final analysis, all they do is to help flesh-and-blood people work more efficiently.

Our use of digital technology allows us to devote more time to those fuzzy, very human issues that members come to us with daily. This is why, unlike large banks, we don't rely on just an algorithm to make lending decisions. Additionally, it's why we stress education and financial smarts so much, to help members develop better financial instincts—something a machine can't do.

We encourage face-to-face and individualized support, including our Financial Wellness Checks. And we offer expert webinars with actionable insight—from agency financing to mortgages. With growing financial and market concerns over a possible recession on the horizon, this kind of personal touch to make us well-prepared for the future is more important than ever. Don't get me wrong. We're proud of our technical and digital capabilities. But it's our people—our staff—that provide you with unconditional expertise and support every day.

I hope you enjoy this edition of *Money Matters*!

Laura Campbell  
President & CEO



## Building A Valuable

## Reputation—Using LinkedIn

**Y**ou might not be Kim or Kanye, but building a reputation, even for a Kardashian, takes unglamorous, hard work using proven techniques. And one of the best tools, one that translates into hot leads and sales, is LinkedIn. It isn't the cheapest, or quickest, but in 6 months it can start to reward a small business like nothing else.

Here's some practical guidance to get you off to an effective solid start using LinkedIn.

**Become an opinion leader.** Post on topics of interest to you—and make them topical and original. Also post regularly to stay top of mind—five times a week is ideal. Regular, high-quality content is central to building your reputation. P.S. LinkedIn's algorithm automatically tests your post among a small group first, then lets more people see it (i.e. you get greater reach) if it proved interesting. In this way, you'll learn what works and does not.



Being an expert, however, doesn't mean living in a social-media ivory tower. **You need to be sociable to build interaction.** Join professional (insurance) and other interest groups, and be an active participant in discussions. But be authentic and don't push your agenda or a sale in discussion groups. Instead, focus on adding value to discussions, and rewards will follow in the form of referrals and sales as your reputation grows. *Smartbugmedia.com* reports that people engaging in group discussions get on average 4x more profile views (more reach). And remember, all interactions aren't equal, says

*Forbes.com*. The more you encourage commenting on your site, the more you'll increase your reach and hence influence. Using original photos with articles also helps, as does not including links the first time your post is published. LinkedIn will penalize you for taking people off their site. If you add links to your post after publication—no problem.



**Keep it real, but keep it smart.** People relate to people. So get personal but stay professional. Share personal information about you—tastefully of course!

And comment on articles of others that align with your interests. But also do your homework. Find out what tone, approach, and topics resonate with your target audience. Before developing content, make a mental image of your readers (a persona). Pretend you're speaking to them in person, and keep the conversation fresh.

**Persevere.** This LinkedIn approach will not result in instant gratification. But put the effort in and you'll be rewarded with a "reputation machine" that generates referrals and keeps on giving.

And when you have your well-oiled referral machine up and running—you'll need to hire more staff to cope! Ask us about our low-rate loans, like our **Flex Loan** with low monthly payments for better cash flow. ■



**Christina**  
*FIGFCU Sr. Digital Specialist*

Follow us @figfcu:    



# Employee Spotlight



Meet Senior Network Engineer

**Charlie  
McCready**

Your Credit Union is a family of people, including you—and they work hard each day to help members succeed. In this Spotlight issue, hear from one of our hidden superstars who keeps us on the rails.

## Five hashtags that describe you

#actingisinmyblood #surfingUSA #nativecalifornian  
#trysomethingnew #worldcuptraveler

## Fun Facts

As a kid growing up in Los Angeles, things were less hectic than now. The current location of our Woodland Hills branch was a corn field! But aerospace was booming—literally. I'd feel a rumble beneath my feet regularly. Not from earthquakes, but from space rocket tests (the ones that took man to the moon). My father was an actor. He worked on iconic shows including *Star Trek*, *Columbo*, *Murder She Wrote*, *Knight Rider*, *Batman* and *Bewitched*. And my mother worked for the CIA!

## In your own words—what is your job?

As part of a great team, I build and maintain “roads” or more specifically our digital highways. If you never know I exist (other than this article), I’m doing my job really well. I keep traffic—which is everything you send and receive online—running smoothly.

## Something surprising about me

If you gave me a free pass in life – I’d probably be surfing. A back injury put a damper on this, but until then you could find me surfing most any day of the week. I also have professional acting credits for TV work I did when I was young. But don’t hold your breath for my next appearance! And, because my wife is a super soccer fan, we’ve been to three World Cups! Most recently Russia.

## A piece of wisdom to live by?

Keep fit & flexible—I wish I’d started yoga as a teen, and might have avoided back injury. And from a work perspective, get out of your department silo and see what others do. ■

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hanging opportunities to grow wealth and avoid common but damaging financial pitfalls. Speak to us soon! ■



## Save Smarter With A Rainy Day Account And Stay Safe In All “Weathers”

Save painlessly for emergencies! Small, automatic deductions you don't miss build with big interest.

- Huge 3% APR\*, balances up to \$2,000
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For full details, disclosures, and to open account, visit [figfcu.com/rainy-day-savings](http://figfcu.com/rainy-day-savings) or call 800.877.2345. Rainy Day Savings is an interest earning savings account eligible for 3% APR interest on balances up to \$2,000 and the standard Membership Savings rate on balances over \$2,000 when funded via recurring ACH deposit or other qualifying external funds. Dividends are calculated by applying a periodic rate to the Average Daily Balance in the account for the Dividend period. Interest earned will be credited to the account at the end of the statement period. This account is limited to two withdrawals per calendar year, each withdrawal in excess of this amount will incur a \$20 excessive withdrawal fee that must be paid at the time of the withdrawal. This account does not qualify for withdrawal access via debit or check and does not support transactions originating via VRU, online banking, mobile banking, or ATMs. Withdrawals can be made in person at a Credit Union branch or by calling us at 800.877.2345. This account does not qualify for overdraft protection. Account holder must be a member with a regular share account who is in good standing. Current interest rates and the annual percentage yield may be found at the Credit Union's website, may be verified at a Credit Union Branch or by calling 800.877.2345. Interest rates earned and qualifying dollar amounts for interest earned are subject to change at any time. APRs and eligibility criteria are subject to change at any time. Fees may reduce earnings.

**For full details, disclosures,  
and to open account, visit**

**[figfcu.org/rainy-day-savings](http://figfcu.org/rainy-day-savings)  
or call 800.877.2345**

# Loan Rates

AGENCY LOANS	
Loan Type	Rate (Variable Rate APR <sup>1</sup> as low as)
Secured	5.24%
Agency Acquisition	9.24%
Contract Value Flex	5.49%

<sup>1</sup>APR=Annual Percentage Rate. Rates listed are current as of 8/15/2019 and are subject to change without notice. Rates include discounts based on \$1,000 monthly recurring Direct Deposit/Folio Direct Deposit into a single Farmers Insurance Federal Credit Union Checking Account and Automatic Payment/Folio Deduction. <sup>2</sup>Home 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. <sup>3</sup>Maximum combined Loan-to-Value of 100%. All loans and rates are subject to credit approval, terms and conditions. Higher rates may apply.

HOME EQUITY LINE OF CREDIT <sup>2</sup>	
% Financed	Variable Rate (APR <sup>1</sup> as low as)
Up to 100% <sup>3</sup> (owner occupied)	4.74%

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

**EQUITY LOANS** Please call **800.877.2345** ext. 6673 for the most current equity loan rates.

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It combines rates as low as **5.49% APR\***—lower monthly payments on terms you control—and no costly pre-payment penalties.

- Average savings of \$250\*\* a month
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Call your business rep today to schedule an appointment and learn how we can help your cash flow!

\*APR = annual percentage rate. Rates include discounts for Direct Deposit into a Farmers Insurance Federal Credit Union Checking Account and Automatic Payment/Folio Deduction. Rates are subject to change at anytime. \*\*Average Savings is based on Agency Acquisition Loan of \$50,000 and Contract Value Loan of \$37,000 comparing the "standard" loan with the "Flex" loan for an extended period and higher interest rates. Annual Percentage Rates in this example range from 4.49% to 8.99% and loan terms range from 84 months to 180 months. Interest rates and actual payment savings subject to credit approval, and may result in higher total interest being paid. For full terms and conditions contact a loan officer at the Credit Union. This Credit Union is federally insured by the National Credit Union Administration. This Credit Union is an Equal Housing Lender, we make loans without regard to race, color, religion, national origin, sex, handicap, or familial status.

# Calendar

<b>NOV</b> <b>28</b>	<b>Credit Union Closed in</b>
<b>NOV</b> <b>29</b>	<b>Observance of Thanksgiving</b>
<b>DEC</b> <b>24</b>	<b>Half day Hours: 8:00am—11:00am</b>
<b>DEC</b> <b>25</b>	<b>Credit Union Closed in Observance of Christmas</b>
2020	
<b>JAN</b> <b>1</b>	<b>New Year's Day</b> Credit Union Closed
<b>JAN</b> <b>20</b>	<b>MLK Jr. Day</b> Credit Union Closed

## MoneyMatters

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