

# MoneyMatters

Agent Edition

## COLLEGE FRESHMEN

"Survival Boot Camp"

**E**xhale! Your kid is college bound! Wipe away those tears, pack the car, and don't remove the extra place setting just yet. Some 19% of 4-year and 39% of 2-year college students won't return to school after freshman year (National Center for Education Statistics, April 2017).

Reasons for dropping out vary but high on the list is *unpreparedness*. (Pew Research Center: *Is College Worth It?* (2011)). We want to help! Our *Survival Boot Camp* gives top "survival" tips for students, courtesy of orientation counselors—seasoned students who help freshmen anticipate the worst (and make the most) of their critical freshman year. Share these with your college-bound child to increase their chances for success.

### Your Student's Social Wellbeing

**"You be you."** During freshman year you'll have many social decisions to make. Make them for your benefit, not others'—and find activities you really enjoy. People will respect your authenticity.

**Stay in contact with folks back home for support** but make new friends as well. Freshman year is a giant social mixer, but be warned most early connections won't pan out. Don't be discouraged by this but make new contacts at every opportunity as those that stick (and enough will) are really important.

**Spend time exploring the college/town.** Learn your neighborhood and how to navigate around campus so you know where to go when you need a break.

Also, connecting with your town gives you a sense of community that makes you feel like you're home away from home.

**Try new things.** This seems obvious but goes beyond fun/recreation. Join clubs and organizations that seem interesting, and quickly drop those that don't match expectations. From the "winners" you'll probably meet like-minded peers who become firm friends, and form a part of your college support network—critical to surviving and flourishing in college.

### Your Student's Academic Wellbeing

**Form a support network.** There's little "hand-holding" at college—so create a network for academic/social support. This includes friends, peers you admire and professors and graduate-student advisors. Their help versus going it alone WILL raise your GPA and might even save you from a failing grade. Your group will also help you secure jobs and internships.

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## CEO's View

What is the essence of saving money, in other words, how does one ensure success at saving? First of all, understand the basics, starting with your underlying motivation. What is your motivation? Set your goals and remind yourself of them daily. There is never a bad time to save. Why? Well, there are many reasons, starting with your own peace of mind. Being successful at saving money requires self-discipline. Eating dinner out too often, buying that article of clothing on impulse, or stopping by the coffee shop are great ways to blow through hundreds of extra dollars every single month. And if you saved just \$200 a month for a year, you'd have about \$2,500 in your savings account. And what about a summer vacation? The trick is to save in advance for your vacation. We offer a special savings account just for that purpose. Whatever your goal, if it's important enough to you, you will find the way to achieve it.

Second, know your appetite for risk. Saving here at your Credit Union essentially does not involve the risk of losing your principal, as it well might mean in the stocks, bonds, commodities, and real estate markets. Are you playing the lottery instead of putting that money into savings? If you took the money you spend on lottery tickets, and put it in a savings account, you would have more money in your account GUARANTEED by the end of the year instead of taking a huge risk. Another safe investment.

Third, define personal financial success. Is it possible to be successful financially without having a substantial, risk-free savings account? I would argue that without this key element, real financial success has not happened yet.

For agents and district managers, the challenge may be even greater. Agents know that maintaining and building a positive monthly cash flow is at the top of the financial prudence hill. But what about regularly funding deposits to a SEP-IRA? Or funding other prudent, risk-free investments that will be there when you decide to, or need to, stop working. Self-employed people know how hard it is to put money away for retirement. Yet, doing so is simply an absolute necessity.

We are here for you, to help you enhance your financial well-being. Our savings rates are among the very best. Our federal insurance fund, the National Credit Union Share Insurance Fund, the NCUSIF, dollar for dollar, is stronger than that of the FDIC for deposits-insured banks. The NCUSIF insures up to \$250,000 per separate eligible member in non-IRA funds, and an additional \$250,000 in IRA deposits. We can explain more about ways to obtain government deposit insurance of far more than that first \$250,000 per eligible member. It can be a little complex. Get that first quarter of a million \$\$ saved with us, then we'll talk more!

A handwritten signature in black ink that reads "Mark Herter". The signature is fluid and cursive.

Mark Herter  
CEO



## Why Lower STRESS Means Higher Returns

We work hard, and play hard. There's a flip-side, however. It's called stress. We tend to accept this as a price of progress and profits. But it doesn't have to be.

Stress is bad. Period. Bad for quality-of-life. Horrible for relationships. And lousy for the bottom line.

*The Harvard Business Review (HBR)*, that bible of business case studies, reports that stress leads to loss in productivity—and also results in something destructive called *disengagement* (*Proof That Positive Work Cultures are More Productive*, 2015, <https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>).

Feeling “engaged” at work is a good thing—and is usually associated with feeling valued, secure, supported and respected. In short, it helps a company thrive. Conversely, disengagement—the reverse of engagement—is a tell-tale indicator of a high-stress, negative work culture.

And disengagement costs! Studies showed that disengaged or low-engagement workers had 37% greater absenteeism, 49% more accidents, and 60% more errors. And organizations with low worker-engagement had 18% lower productivity and 16% lower profitability. On the flip side, businesses with high-engagement employees garnered 100% more job applications!

So—how to promote a positive, fun (and profitable) workplace? Here are four tried-and-tested approaches for your team, courtesy of the American Agents Alliance and its members:

- 1. Celebrate People.** Whether it's a birthday, new baby, or a game of golf—personal recognition lifts the spirits and helps remind the team they are valued as people, not just workers.
- 2. Create a Fun-Plan.** If you don't schedule fun, it can fall by the wayside. By officially working it into the schedule, employees can have fun without feeling like it's an intrusion on work. Something as simple as a team lunch, for example, can be a great excuse to unwind.
- 3. Take Time to Relax.** Stressed-out people can find it hard to switch off, so incorporate down-time in the work day, and promote recreational activities—like a walking club, stretch class, or even a garden. Even a game of giant Jenga can be fun!
- 4. Get Into the Community.** By reaching out to the community, your team connects with customers in new ways, making for stronger and more productive relationships—both within the team and with your community. Participate in the high school bike-a-thon, bake pies for a fair, or have the boss shave their head for a cancer fundraiser.

And speaking of “being there for others,” your Credit Union has 80 years of Farmers agency expertise to help you take your business to the next level—including unmatched loans and service—all with less stress! You can call us anytime — 800.877.2345 — to speak with any of our member service representatives. ■

Continued from page 1

**Form a study group & collaborate.** Never go through class alone. Need to skip a morning lecture after a late night and want a proxy note taker? Can't quite come up with an "A" thesis? Become part of a study group. Diverse perspectives make for better work (= better grades). And you'll get to practice career skills like negotiation/debate—all in a non-threatening environment.

**Try out new courses.** In the first half of freshman year, don't be afraid to mix 'n match academically. Even if you're "destined" to be an engineer, doctor or lawyer, try some classes just because they sound fun. It's possible (actually this happens a lot) that you find a brand new major and a lifelong passion.

## Your Student's Career Wellbeing

**Go to class every day (well, most of them).** Hearing lectures first-hand is ideal even if notes are posted online. You get attuned to the professor's likes/dislikes and personality, which gives you an edge when writing assignments. Your professor also gets to know your face and name and sees you participate. Standing out like this in lectures (and remember this applies to office hours, too) is central to an awesome letter of recommendation—and by extension to securing college internships and grants.

**College is a breeding ground for careers.** Millennials are expected to emerge *career-ready* from college, so pressure to snag a college job/internship is huge. Go there to learn—but also utilize career resources—formal and informal. Students who've had internships can share their experiences, and even refer you to companies. Also network with professors for job leads.

And don't forget your Credit Union is here to support you. Some financial institutions see students as prey and load them up with unsustainable levels of debt. We care about getting you through college and financially prepared for a great future. Period. Our own "college survival kit" includes great savings products (good for college expenses), competitive student loans (with flexible repayment terms), and savings-secured credit cards to build solid credit while in college (=cheaper car loans!).

Congratulations and good luck to all incoming freshmen! ■

# They Grow So Fast

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7 —————

6 —————

5 —————

4 —————



So does the cost of college

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# Loan Rates

AUTO Fixed Rates		AGENCY SECURED <sup>2</sup> Terms up to 144 mo.	
Term	Fixed Rate (APR <sup>1</sup> as low as)	TYPE	Rate (APR <sup>1</sup> as low as)
48 mo.	1.24%	Variable	4.49%
60 mo.	1.74%	Fixed	5.49%
72 mo.	2.24%		
AGENCY SECURED LINE OF CREDIT			
TYPE	Rate (APR <sup>1</sup> as low as)		
Variable	5.49% <sup>3</sup>		

<sup>1</sup>APR = Annual Percentage Rate. Rates listed are current as of 6/6/2016 and are subject to change without notice. Rates shown are our preferred rates based on credit worthiness and a 0.50% Direct Deposit/Folio Direct Deposit discount, if applicable and a 0.25% discount when you purchase through the Farmers Insurance Car Buying Service. <sup>2</sup>Borrow up to 60% of Contract Value if you are a DM or your average monthly sales count is 150+. Otherwise, borrow up to 50%. <sup>3</sup>Borrow up to \$50,000.

# Calendar



Sept. 4 Labor Day

Sept. 4, 2017  
Credit Union Closed

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\*Contract Rates are Risk Based Priced using the applicant's FICO<sup>®</sup> Score. Actual Rate for each particular Cardholder is specified in Credit Card Addendum. Qualifying low rate of 4.49% is based on a FICO<sup>®</sup> score of 720 or above. Cardholder may request a "Rate Review", limited to every six months and subject to prevailing rates. \*Credit Limits: \$500 - \$50,000 are based on credit approval and a secured amount up to 50% of Contract Value or 60% for DMs or qualifying agents. For all Agents: Loanable amount is 25% of contract value (minus encumbrances) if "Truck Exchange" commissions exceed 50% of "All Companies" commission. Should a UCC not be on file for a cardholder and their respective agency on another account, one will need to be filed upon the funding/opening of this Credit Line. At such time the prevailing rate/cost for filing a UCC will be assessed against the cardholder.. APRs, and Penalty APRs are current as of 05/08/2013 and are subject to change.

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