

aim 

Local Government Federal Credit Union

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THIS SPRING

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**AGGIE
FANFEST**

We see what machines can't: You!



Maurice R. Smith

Chief Executive Officer
26-year member



Businesses always look for new ways to be better. They strive to find greater operating efficiencies, cut expenses and grow revenue. Many want to attract customers and improve their bottom line.

To achieve these efficiencies, businesses are increasingly turning to artificial intelligence, or AI. Often referred to as machine learning, AI is software that enables a computer, robot or device to think for itself, to essentially simulate a human brain. When this happens, the machine learns new skills, adapts to changing environments and solves problems.

Some suggest that AI can underwrite a member loan application better than a human. The argument: Computers can use extensive formulas to uncover hidden behavioral patterns and predict whether a person is a good risk or not. Your credit score, spending habits and online searches are just a few of the data points used in AI.

To suggest a computer can think like a human seems far-fetched, for some. However, financial institutions are using AI to help make better decisions.

I have mixed feelings about this. I see the value of smarter computers helping the Credit Union with more accurate forecasting, economic models and risk measurements. If AI gives us an edge with the Credit Union's technical operations, it's worth exploration.

On the flip side, there are some interactions I don't believe should be left solely to a computer. Call me old-fashioned, but I want to know that a living, breathing human is thinking about me when I have a financial need.

While computers can compare your debt load, credit rating and payment history to other members, there's more to the equation. You are unique. This means your Credit Union should listen to your story and assist you with the best course of action to fit you.

From a business standpoint, this may not be the most efficient way to run a financial institution. It is, however, the most human.

 lgfcu.org/ceopoint



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THE GOOD NEWS MAN

For Kendrick, childhood lessons become ideals to live by

WRITTEN BY BRENDA ROCKWELL | PHOTOGRAPHY BY CHARLES REGISTER

By all accounts, Kendrick M. has found his dream job with the city of Greensboro. In fact, he's had a series of great jobs in local government that have allowed him to plan and promote some of North Carolina's largest community events. You may not see him, but he's there, making sure he delivers on his commitment to building better communities.

After managing parks and recreation activities in Durham and Garner, he is now the special events coordinator in Greensboro. Kendrick's passion for connecting communities and people is evident through his friendly demeanor and can-do attitude.

"The good [thing] about my role is the daily opportunity to make a positive and lasting difference in the lives of others," he said. "Identifying the 'what's next' motivates me because I want to maximize my time in [this] position and make the largest impact on the city of Greensboro that I can."

For Kendrick, that easy ability to relate to people comes naturally. He remembers how growing up, his parents always encouraged him to see life through filters of optimism and positivity.

Even on the one holiday that some kids associate with mischief, Kendrick saw another option. Instead of Halloween frights on city streets, he went to church where he engaged in a community celebration that included carnival games like ring toss and cake walk.

Kendrick learned early that determination and a positive attitude made all the difference in the face of adversity. Happiness was an attitude always present in his household.

Now in his early 30s, Kendrick continues to live by those foundational principles.

"I was raised to see the positive in anything, rather than focus on the negative ..."



Always willing to share

Throughout his career, Kendrick has led large community events that unite residents and build community spirit. Today, as Greensboro's special events coordinator, Kendrick has many responsibilities, including coordinating large events like North Carolina A&T State University's Aggie FanFest homecoming celebration. Months of planning with vendors, city and university staff, and officials culminate in a three-day event that attracts more than 50,000 visitors to a city already teeming with more than 290,000 residents.

Kendrick's enthusiasm for his work and for life in general show through his infectious smile during every interaction. Whether ensuring his event staff have the resources needed to manage

their FanFest station, greeting attendees or zipping over to move a trash can for a vendor's convenience, Kendrick makes every encounter matter. He says there is no downside to connecting with vendors, only chances to create more meaningful opportunities.

"My experiences in dealing with vendors are a constant learning experience. I would consider the 'up' as the opportunity to meet new people. I would consider the 'down' as not being able to work alongside them for a greater length of time," Kendrick said.

That positive attitude combined with a passion for North Carolina communities makes him a natural fit for LGFCU's Advisory Council. As one of more

than 550 member-volunteers, Kendrick willingly shares his Credit Union experiences with current and prospective members alike. He especially likes to recall one particular "teachable moment."

A member since 2014 and an LGFCU Visa® Credit Card holder for almost as long, Kendrick had never missed mailing in his monthly credit card payment on time — except one time. Normally prompt and organized, he had a hard time believing he simply forgot.

Knowing his mother would tell him to own up to his problem, Kendrick contacted the Credit Union. By the end of the conversation, he received more advice and more member support than he hoped for. He hasn't forgotten a payment since.

Kendrick's glass-half-full approach to life didn't waver after one setback. Instead, he doubled down on his commitment to becoming financially prepared, vowing to make sure he would tell others how to take advantage of all the Credit Union's services.

"My greatest life challenge is building wealth quickly and teaching the next generation to do the same. LGFCU offers a variety of accounts to help you build wealth," Kendrick said.

As an Advisory Council member, Kendrick reminds current and future members that the Credit Union is here to help members achieve their financial goals.

A positive attitude and passion to serve make Kendrick a natural fit in his work and as a member of LGFCU's Advisory Council.



As special events coordinator for the city of Greensboro, LGFCU member Kendrick M. helps to plan the annual NC A&T Aggie FanFest, which draws more than 50,000 visitors.



Life lessons for all

Although Kendrick joined LGFCU just five years ago, he's familiar with the Credit Union's mission to improve members' lives. He's not sure how many people he's recommended to join LGFCU during his time on the Council, but one of them is his own mother.

"Once I became educated about the low interest rates and benefits offered, I shared the information with my mom and she became a member," he said.

Kendrick's mom respects his appreciation for LGFCU's services. A tax preparation instructor for a national tax firm, she assisted Kendrick for years with filing his taxes online using TurboTax. Kendrick likes getting the TurboTax discount for LGFCU members and likes that the software helps

him get the maximum refund possible. Taking another life lesson of self-determination from his mother, Kendrick recently decided it was time to prepare his own returns.

To this day, his mom's lessons of positivity and resilience help him, he says, to tackle adversity with determination, examples he hopes to impart to others.

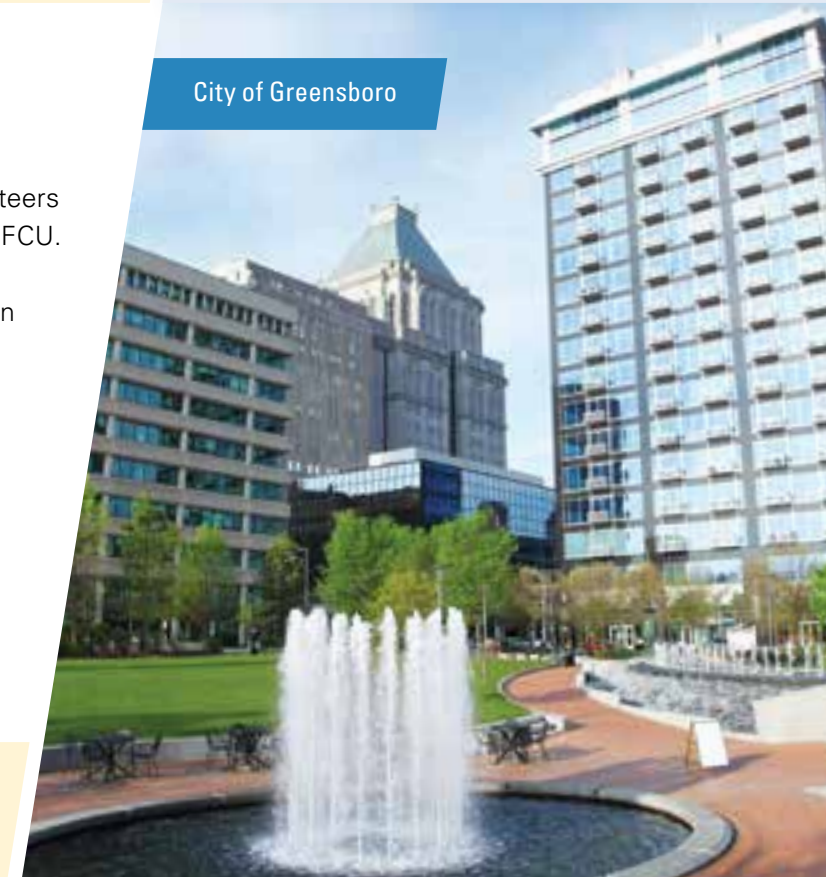
"I was raised to see the positive in anything, rather than focus on the negative," Kendrick said. "As I got older, I made a conscious decision to display those same attributes and seek the good in all situations. Even though the bad exists, there's always a silver lining." ➔

LGFCU Advisory Council links members and management

Since the beginning of the Credit Union, volunteers have played a crucial role in the success of LGFCU. Across the state, the Advisory Council is the link between existing and potential Credit Union members and LGFCU management, providing information and serving as advocates. Council members are firm believers in the Credit Union philosophy of "people helping people."

To learn more about joining the **Advisory Council**, visit lgfcu.org/advisorycouncil.

City of Greensboro



"Identifying the 'what's next' motivates me because I want to ... make the largest impact on the city of Greensboro that I can," Kendrick says.



LGFCU members receive special discounts on TurboTax® online tax preparation



- ▶ **\$10 off** Deluxe Federal
- ▶ **\$15 off** Premier Federal
- ▶ **\$20 off** Home & Business Federal

Electronic filing is easy and convenient, and you typically receive your refund in less than two weeks. You can even choose to have your refund deposited directly into an LGFCU account!

Visit lgfcu.org/turbotax to learn more and to file your taxes today.

Money management tips for teen workers

Teens can use their first job as a foundation for a better financial future.

Summer jobs are a great way to not only help teens earn cash, but also ease them into adult responsibilities like good money management. Here are four tips to help teens hone their money skills.



Review hiring documents

Encourage your teens to bring home all hiring documents. This way you can explain how many allowances to claim and if they should withhold any additional taxes from each paycheck. This will also open the door for a conversation about the impact that taxes will have on their earnings. Working together, you can ensure everything is completed properly.



Introduce your teens to the Credit Union

If your teens don't already have a Zard Checking and Share Account*, planning a trip to the Credit Union is next on the to-do list. Help your teens set up direct deposit for their paychecks and make sure automatic saving is in place. Zard accounts give your teens the freedom to manage their own money while giving you the flexibility to monitor spending each pay period.



Explain the first pay stub

It's important for your teens to understand the difference between gross and net pay. Reviewing the first pay stub with them will help your teens understand how withholdings will impact take-home pay and how these withholdings will continue, and likely increase, into their future working life.



Have conversations about budgeting and savings

Your teens will likely want to spend the money they earn as fast as they get it. Now is a great time to introduce budgeting and saving skills. If there's something they need or want to save for, such as a car or college tuition, urge your teens to put away at least a minimum amount each pay period to help reach their goals. Using the remaining money, help your young adults create a budget that allows for things like eating out with friends and gas for the car so they don't run out of money between paychecks.

Get more money management tips for teens at lgfcu.org/personalfinance.

*For children younger than age 18, Zard Checking and Share Accounts require joint account ownership with a parent or other adult.

The advice provided is for informational purposes only.

FUNNY MONEY



WHAT HAPPENS WHEN YOU WANT YOUR FAVORITE FOOD?

Have fun with the Fat Cat Funny Money word game to find out! Start by choosing a word to fill in the blanks in the story. The sillier, the better! Then read the story out loud. Laugh and laugh some more!

Today, I wanted to buy _____ . My mom said, " _____ , if you

FAVORITE FOOD

FUNNY NOISE

want to buy _____ , you'll have to use your own _____ ."

NOUN

NOUN

I screeched "Where can I _____ _____ !?" My mom

VERB

NOUN

told me to check my piggy _____ and see if I had enough _____

NOUN

NOUN

to _____ the _____ . I ran to my _____

VERB

FAVORITE FOOD

NOUN

and shook my piggy _____ . It sounded like, _____ .

NOUN

FUNNY NOISE

That sound told me that there were enough _____ in the

PLURAL NOUN

_____ to buy _____ ! I was so _____ !

NOUN

FAVORITE FOOD

ADJECTIVE

Next, Mom and I _____ to the Credit Union. We _____

VERB

VERB

my _____ into the Fat Cat Coin Sorter. " _____ !"

PLURAL NOUN

EXCLAMATION

said the teller _____ as she took the paper and handed me cash.

ADVERB

"This is enough to buy _____ !" I said. "I just want to buy _____ .

FOOD

FAVORITE FOOD

I'll _____ the rest!"

VERB



FAT CAT

We hope you enjoyed this Funny Money word game. You, too, can start saving with a Fat Cat account today! Ask a grown-up to visit lgfcu.org/fatcat to learn how to open an account.

Spring buys to watch for this season

May the luck of the Irish be with you this month ... and the next ... and the next! As spring comes into bloom, retailers typically use the season to offer sales on big-ticket items.

Here are five top deals of the season.

1 Stock up on frozen foods

March is National Frozen Food Month! It's a great time to stock up on your favorite frozen food brands. It's easy to get caught late at work or game night for the kids. Nights like that will make you glad you have a quick meal in the freezer. You may get the best deals on everyday items like fruits and vegetables, and healthy meals and snacks.

Keep your vehicle running smoothly

April is National Car Care Month, which means it's time to give your vehicle the care and conditioning you've put off all winter. Take your vehicle in for maintenance and shop for car accessories, because your local auto parts store and service center will likely offer special promotions.

3 Purchase small home electronics

Small kitchen appliances sometimes fill wish lists for special events like Mother's Day and spring weddings. During the early part of the year, retailers typically offer promotions on cookware, coffee makers, toaster ovens and more. This could be a great time to check something off someone's list or to make needed updates in your kitchen.

Buy home improvement supplies

Big-box home improvement stores typically offer discounts on home improvement supplies. Whether you plan to tackle a small DIY project like a spring garden or you plan to hire a professional for something larger like a backyard oasis, you'll likely find great deals on supplies such as lumber and garden materials at your local store.

5 Get ready for a better night's sleep

Spring is typically the time of year when stores need to make room for new models. That means the march toward Memorial Day often leads mattress sellers to post big discounts.

More deals await

This season is also teeming with the possibility of deals on new luggage and new clothes to take on your summer vacation. You may come down with spring fever, but you don't have to spend all of your savings to get what you need.

Follow LGFCU on Facebook and Twitter for even more ways to save this spring!

Calendar of events

**APRIL
3-4**

Carteret County Senior Games

9 a.m. to 1 p.m.

Crystal Coast Civic Center
3505 Arendell St., Morehead City

Hosted by
Carteret County Parks and Recreation Dept.

**APRIL
10-11**

Cabarrus County Special Olympics Spring Games

9 a.m. to 1 p.m.

Cabarrus Arena and Event Center
4751 NC 49, Concord

Hosted by the Cabarrus County Schools

**APRIL
13**

2019 Piedmont Earth Day Fair

10 a.m. to 4 p.m.

Winston-Salem Fairgrounds
421 27th St. NW, Winston-Salem

Hosted by
Piedmont Environmental Alliance

SHRED EVENTS

Shredding is the fastest way to dispose of confidential and personal documents. Secure shred events help community members prevent their valuable information from getting into the wrong hands.

Follow us on Facebook and Twitter for more shred events this spring!



MDO LeeAnna spent a rainy Saturday morning in the Village of Clemmons for LGFCU's December Shred Event.



MDO Greta, far left, thanked the Transylvania County Tax Administration office employees for their loyalty and dedication to LGFCU by sharing a basket of treats.



MDO Juan, red shirt, joined members of Garner's Fire-Rescue department as part of the town's fall Firemen's Festival.

LGFCU and you

LGFCU Membership Development Officers (MDOs) are a great resource in your area. From Murphy to Manteo, one of our MDOs is there to answer questions about membership, share Credit Union materials, help sponsor local events and more.

Recently, our MDOs were in communities to say "thank you" for making LGFCU the No. 1 Credit Union in the state, as determined by Forbes' first-ever listing of the Best-In-State Banks and Credit Unions.

LGFCU earned this distinctive title from a survey of more than 25,000 credit union members and bank customers across the U.S.

Without our members, this recognition would not be possible. To see more of our MDO visits, view the journey on Facebook.



Loan Rates As of February 1, 2019

Federally insured by NCUA



Adjustable Rate Mortgages*	Rate	APR	Margin	Floor Rate
5-year ARM 80% or less LTV	3.875%	4.176%	1.50%	3.25%
5-year ARM 80.1-90% LTV	4.375%	4.675%	2.00%	3.75%
5-year ARM 90.1-100% LTV	4.875%	5.174%	2.50%	4.25%
5-year ARM (First-Time Homebuyer) [†] 100% LTV	4.875%	5.174%	2.50%	4.25%
5-year ARM [‡] 100.1-110% LTV	5.875%	6.172%	3.50%	5.25%

Variable Rate Loans	PayD Rate [◊]	Direct Pay
Home Equity (1st mortgage with LGFCU) ^Δ Up to 90% LTV	4.75%	5.25%
Home Equity (1st mortgage with other lender) ^Δ Up to 90% LTV	5.50%	6.00%
Signature Personal Open/Closed-end, Unsecured	10.75%	11.25%
Salary Advance (cash account <\$500) Open-end, \$500 maximum	14.25%	—
Salary Advance (cash account ≥\$500) Open-end, \$500 maximum	7.75%	—
Visa [®] Credit Card Grace period	—	12.25%

Fixed-Rate Loans	PayD Rate [◊]	Direct Pay
New Vehicle [◊] Up to 36 months	3.75%	4.25%
New Vehicle [◊] 37-60 months	4.25%	4.75%
New Vehicle [◊] 61-72 months	4.75%	5.25%
New Vehicle [◊] 73-96 months	5.75%	6.25%
Used Vehicle Up to 72 months	5.50%	6.00%

Deposit Rates As of February 1, 2019

Products	Min. deposit [∞]	Rate	APY
Regular Shares	\$25.00	0.50%	0.50%
Fat Cat Shares	\$5.00	0.75%	0.75%
Zard Shares	\$25.00	0.75%	0.75%
Holiday Cash Club	\$0.00	0.75%	0.75%
IRAs	\$25.00	2.50%	2.53%
Health Savings Account	\$0.00	2.50%	2.53%
Checking [∞]	—	0.15%	0.15%
Money Market Shares	\$250.00	1.50%	1.51%
6-month Share Term Certificate [§]	\$250.00	1.85%	1.85%
12-month Share Term Certificate [§]	\$250.00	2.00%	2.00%
18-month Share Term Certificate [§]	\$250.00	2.10%	2.10%
24-month Share Term Certificate [§]	\$250.00	2.20%	2.20%
30-month Share Term Certificate [§]	\$250.00	2.35%	2.35%
36-month Share Term Certificate [§]	\$250.00	2.60%	2.60%
48-month Share Term Certificate [§]	\$250.00	2.80%	2.80%
60-month Share Term Certificate [§]	\$250.00	3.00%	3.00%

All rates, terms and conditions can vary and are subject to change.

For additional information on any Credit Union accounts please visit lgfcu.org, call your local branch or call us at 888.732.8562.

Calls may be recorded for quality assurance.

APR : Annual Percentage Rate

APY : Annual Percentage Yield

ARM : Adjustable Rate Mortgage

PayD : Payroll Deduction

LTV : Loan To Value

* These rates are for new first mortgage loans and are subject to change daily. The rates for existing adjustable-rate mortgage loans are subject to change at predetermined intervals and may be different from the rates for new mortgages.

Future rates and payments determined based on adding a margin to the index (5-Year Constant Maturity Treasury Yield rounded up to the next highest one-eighth of one percentage point).

† Special financing for first-time homebuyers (5-year ARM).

‡ Interest paid on the loan portion that is greater than fair market value is not tax deductible for federal income tax purpose. Consult a tax advisor for further information regarding the tax deductibility of interest and charges.

Δ Appraisal may be required. Fees may range from \$0 to \$1,600. Future rates and payments are determined quarterly based on adding a margin of 2.25% to the index for payroll deduction/funds transfer (margin of 2.75% to index for direct pay). The index is the 26-week Treasury bill rate set on or after the 15th of the second month of the previous calendar quarter adjusted up to the nearest 0.25%. Recent index is 1.785%. The minimum adjusted index rate for this product is 0.50%. The maximum quarterly rate adjustment is 0.50%. For first mortgage with LGFCU or no first mortgage, the minimum interest rate is 2.75% APR for payroll deduction and funds transfer (3.25% APR for direct pay). For first mortgage with other lender, the minimum interest rate is 3.50% APR for payroll deduction and funds transfer (4.00% APR for direct pay). The maximum interest rate will be the beginning rate plus 5.00% or 12.75% APR, whichever is higher, but never more than 18.00% APR.

◊ Payroll Deduction payments provide substantial savings in processing costs for the Credit Union.

Example: For a \$25,000 new auto loan, your monthly payment will be \$394 for 72 months at 4.25% APR when your payment method is payroll deduction/funds transfer (\$400 for 72 months at 4.75% APR with direct payments).

Example: For a \$15,000 used auto loan, your monthly payment will be \$244 for 72 months at 5.25% APR when your payment method is payroll deduction/funds transfer (\$247 for 72 months at 5.75% APR with direct payments).

◊ New vehicle is defined as current, prior or upcoming year model with 10,000 miles or less.

∞ Minimum deposit to open each account. Initial checking deposit must cover first box of checks and first \$1 monthly service fee. The minimum balance to earn dividends in your Share/IRA/SEP/CESA accounts is \$25; for Share Term Certificates and for Money Market Share accounts, \$250.

§ Share Term Certificates are Fixed Rate accounts. Dividends are automatically paid monthly by transfer from the STC to another deposit account. If the term is six or 12 months, you may request that your dividends be paid when the STC matures. The early withdrawal penalty for all certificates is 90 days dividends or the actual dividends earned, whichever is less.

Fees and/or other conditions may reduce the earnings on an account.

Quoted rates, dividends and annual percentage yields (APY) are subject to change daily at the discretion of the Board of Directors.