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A publication of Credit Professionals International

May 2019

# THE CREDIT CONNECTION

A graphic showing several small human figures standing on a reflective surface, connected by a network of dotted lines. The figures are in various poses, some holding papers or devices. The lines form a complex web between the figures.

## current topics >>>

Message from the President

Membership Report

U. S. Government News

*If you have not made  
your reservations  
for the International Conference  
to be  
held June 27-29, 2019  
in Albuquerque, New Mexico.  
Now is the time to do so.*

*Marylyn Tack*

The Credit Connection is a publication  
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## Message from the President

Marylyn Tack,

President - Credit Professionals International 2018-2019

Members, I want to take a few minutes to thank all of you who have helped me so much during this past year. I can't believe that we are fast approaching the end of another year.

Make sure that each of you takes a few minutes to cast your votes for the new officers and to vote on the proposed by-law changes. It is very important that everyone cast their vote.

I look forward to seeing many of you in Albuquerque in June. We have a great conference planned for those who are able to attend. It is not too late to register for the conference. Forms are available on the website. Here is some information from the Foundation:

*"You can turn in the dollars collected from your local and district Walkathons at International Conference. In addition, there will be a Bingo-A-Thon at conference to raise more dollars and have even more fun at conference. I heard there*



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*will be some wonderful prizes for the winners.*

*We will also be having the annual Foundation geographical raffle and are asking Foundation board members and other CPI members to bring a \$25 or more value item.”*

Don't forget to remember Mother's Day on May 12th and Father's Day on June 16th. Try and spend some time with those who are so important to you. Time together is the best gift of all and it cost nothing to give.

National Missing Children's Days has been commemorated in the United States on May 25th, since 1983. It falls on the same day as the International Missing Children's day, which was established in 2001. Let us know if your association does anything special to commemorate this event.

Once again thank you so much for all that you do to support Credit Professionals International.

Marylyn Tack  
President

## Death In CPI Family

### Harriet Irwin Bryant

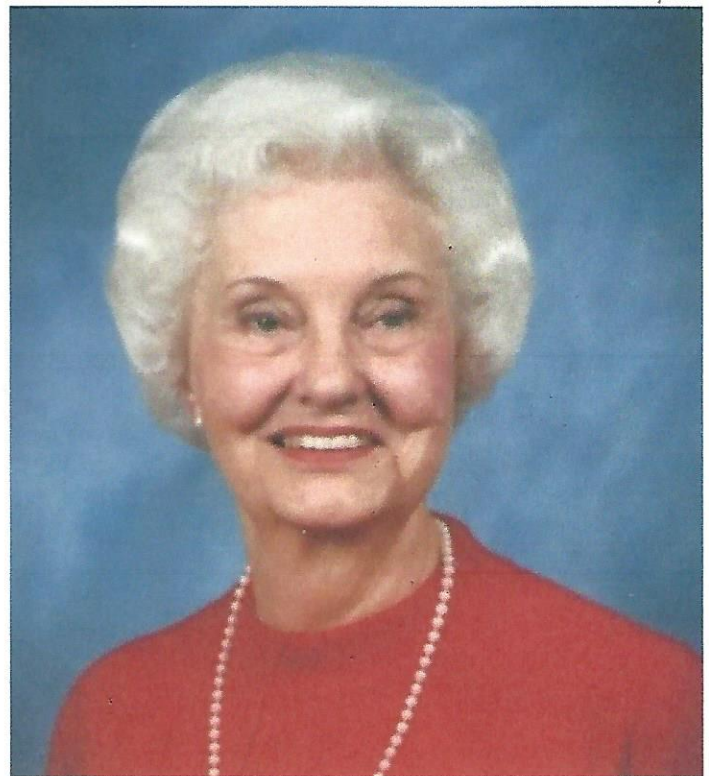
Harriet Irwin Bryant, a member of Credit Professionals International in Charlotte, NC, for 54 years, died on April 16, 2019.

A graduate of Sharon High School in Charlotte, NC, and the University of Tennessee in Knoxville, Harriett worked her entire career in banking and retired from First Citizens Bank in Knoxville.

She was a long-time member of Park Road Baptist Church in Charlotte and was involved in several programs in the church. These included VSP (Very Special People; a monthly luncheon for seniors; and the "Coffee & Kibitz", a senior Bible study group; and Lunch Brunch, an event for those who grieve. She always was a volunteer worker wherever she was needed. She loved her church, her volunteer activities and her friends.

Harriett was preceded in death by her husband, Bill B. Bryant; her son William Irwin Bryant; her father and mother; and her step-father.

She is survived by her daughter, Sharon B. Tinker; her granddaughters Jodi D. Tinker and Stephanie T. McMahan; her great-grandsons



Ty Tinker, Luke McMahan and Jake McMahan; several nieces, nephews, cousins and many close friends.

# Our Goal—Growing Our Membership

**Connie Hamilton**

**Vice President**

**Membership Chairman**

It's Spring Time! Time to till the soil and tend the flowers...April showers will bring those May flowers! And as they say, and appears to be the case this year, spring comes roaring in like a lion and hopefully will calm down and go out like a lamb! There have been record snowfalls and blizzards as well as flooding rainfalls and tornados!

So, have we been tending our flowers-our members! And have we been tilling the soil-growing new members? We have a new member this year—Rashesh Brahmhatt! Isn't that great!

So maybe we started off a little backwards-like a lamb and now we need to be the opposite of the spring season and go out like a lion-whip up a tornado of new members! I say let it rain a new reign of members! So keep looking and keep asking! Also I would like to say a big THANK YOU to members who have been looking after our current members and keeping them involved and to those who have worked hard on recruiting new members-whether or not those efforts have been successful it keeps our name out there in the community! All efforts are appreciated!

**Welcome New Member**

**Rasesh Brahmhatt**

And now one of my other hats:-International Conference Chairman.-Please remember, if you are flying in and NOT renting a vehicle, to get your flight information to me so that I can arrange for transportation from the airport to the hotel for you. There is NOT a shuttle for the hotel. Also, if you have any special dietary needs, please send me an email with those requests-I have none noted on the registrations received

**CPI INTERNATIONAL CONFERENCE**

**JUNE 27-29, 2019**

**Albuquerque, New Mexico**

**Hilton Garden Inn (group code: CPI)**



# Your Last Five Years Before Retirement

**Source: Age Brilliantly**

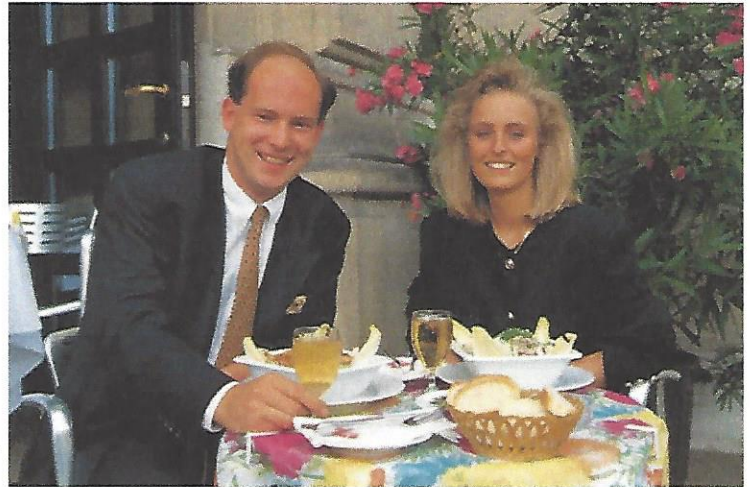
Like anything else in life, there is never such a thing as being too prepared for retirement. This is especially true if you're planning on retiring in the next 5 years. While you've most likely already done a lot of preparing for your retirement, there are a few things you definitely need to take care of in the last five years.

**Stock Up On Cash Reserves**—Getting all your applications and paperwork in order for social security and pensions takes a lot of time. The same goes for setting up withdrawals from 401Ks and IRAs. In fact, these often get delayed. That's why it's a good idea to plan for such delays by having extra cash reserves on hand or in safe investments you can easily access quickly.

**Estimate Your Needed Money**—Come up with a basic estimate of how much money you will need for your retirement. That way, you'll know as you get closure if you've saved enough. Think about costs like home improvement, hobbies, vehicle repairs and other potentially unforeseen items when doing your calculations. If you need a little more help coming up with how much you need for your retirement, a financial advisor can help.

**Think About Taxes**—Taxes can make or break your retirement savings. Be sure to take them into account when planning. Think about questions like: will I be in a lower tax bracket? Will I move? Do I need to diversify company stock? All of these answers will affect your retirement taxes. You can learn more about our potential retirement taxes

**Diversify**—While having your investments go up and down isn't scary while you're working, it's a big deal after you're retired. As you make regular withdrawals from an account, the account's volatility can have a massive impact. Start reducing the risks of losing your retirement money now by diversifying your investments. A range of investments will increase the odds



that your money will be safe. Unsure how to diversify your investments? Talk to your financial advisor or do some research.

**Have a Plan B**—The last few years of your career are vital to your retirement. This is super scary as unemployed Americans between the ages of 55 and 64 usually stay unemployed for around 11 months. Make sure your retirement stays on track, even if your job doesn't, by having a job plan b. From freelancing to a new business, it can't hurt to have a backup plan.

**Downsize Your Home**—On average, housing accounts for the biggest part retirement spending. So, if you change out a \$250,00 house for a \$150,000 house, not only will you have extra cash in your pocket, but also you can free up around \$3,250 a year in upkeep and taxes. Get more information about housing costs and retirement by reading articles like this.

Be as prepared as possible for your retirement by doing these things in your last five years of working.



# Fico Making Big Changes To Credit Scores

FICO 2.0 is arriving. A new method in credit scoring from the Fair Isaac Corporation (FICO), called the UltraFICO Score, is being rolled out this spring. The change is expected to open up credit avenues to tens of millions of Americans who would have been turned down or restricted in the past.

Previously, the main factor in credit scoring for FICO, which is relied on heavily by lenders nationwide, was your payment history. If you paid your bills on time and in full month-in and month-out, you were in good shape. But now FICO is shifting to a methodology that emphasizes how consumers manage the money in their checking, savings and other accounts, according to the Wall Street Journal and various other media sources.

The new credit scoring method is expected to generally increase your chances of being approved for credit cards and personal loans. Instead of the time-honored practice of assessing a borrower's on-time payment history, it will also focus on your current checking balance, length of checking history, transaction frequency and overdraw history.

Those who don't have an extensive credit history, including many Millennials and Gen Xers, are likely to get a boost from the new scoring method. But others won't fare as well as they would have before the change.

Notably, the Wall Street Journal states that a lender can offer to have the score recalculated to reflect banking activity. As a result, you can choose which accounts you want to be factored into the recalculation. On the flip side, there's a possibility that your score could go down—not up—by having a recalculation done.

FICO indicates that you will probably benefit from the new scoring model if you:

- Have at least \$400 deposited in a checking, savings or money market account;
- Have at least \$400 deposited in a checking, savings or money market account.
- Have not made overdrafts within the last three months;
- Show a lengthy history of having open accounts; or
- Demonstrate frequent transaction history

As many as seven million applicants who have a limited borrowing history—traditionally resulting in a low credit score—may benefit from the roll-out of the new program, says the Wall Street Journal. What's more, FICO forecasts that around 26 million subprime borrowers will be rewarded with a higher credit score. And about 6.5% of this group, roughly four million borrowers, could see their credit scores jump by at least 20 points.

In other words, a few dings on your credit report won't necessarily jeopardize your borrowing ability. Thanks to the change to UltraFICO, you may qualify for lower rates on home and car loans and other credit applications. This could be a life-changing development for individuals still struggling to achieve the American Dream.

Of course, more credit isn't always a good thing, especially if you have allowed debt to pile up in the past. Now, more than ever, it's important to assess your personal spending habits. Only borrow what you can afford to pay back!



## Government News

### Waters begins crackdown on credit reporting industry

U. S. House Democrats have kicked off work on the biggest overhaul of the consumer credit reporting industry in years, marking the first major legislative effort launched by new Financial Services Committee Chairwoman Maxine Waters.

The California Democrat is proposing a sweeping set of changes to how Equifax, Experian and TransUnion, the industry's three dominant firms collect data on consumers and repackage it for lenders to gauge a borrower's creditworthiness.

While Waters and consumer advocates have been pushing consumer-focused reforms for years, the effort got an unexpected jolt of energy in 2017 when Equifax revealed that millions of individuals' information had been exposed in an historic cybersecurity breach. There is now a bipartisan appetite for a credit reporting revamp.

"It's still going to be an uphill struggle with the Senate and the House split and the president on the side that he's on, which is not usually my side," said U.S. Public Interest Research Group consumer program director Ed Mierzwinski. "But we have the best opportunity we've had in a long time."

The credit reporting oversight hearing and subsequent work on legislation will be one of the first big tests for Waters and House Democrats who have pledged to use their new majority to rein in corporate America.

The nearly 200-page bill would impose numerous new restrictions on the industry. Among the biggest concerns for the credit reporting firms: The bill would give consumers more tools to dispute errant information on their credit reports, so the industry would carry more of the burden of making sure inaccurate data



isn't reported. Another worry is a provision that would restrict the use of credit checks for employment purposes.

An industry fear underlying the whole debate is that the reforms could make the firms more susceptible to lawsuits.

Democrats disagree. They point to Consumer Financial Protection Bureau statistics showing that the agency handled about 213,000 credit reporting complaints between November 2016 and October 2018, with many involving frustration about fixing mistakes.

In a report released before a recent hearing, the National Consumer Law Center said part of the problem is that lenders and other companies that furnish data to the reporting firms conduct "pro forma, perfunctory investigations" in reporting disputes and that the reporting firms "continue to blithely accept what a furnisher tells them."

"A data company that doesn't invest in quality control for accuracy is also a data company that's not going to invest in adequate security measures," said Chi Chi Wu, one of the National Consumer Law Center report's authors and a witness at Tuesday's hearing. "It's about culture. It's about an attitude—whether you do it right or whether you cut corners."



## Student Corner

# Career Opportunities in the Banking Sector

By Ciaran John

The banking industry provides a wealth of opportunities for experienced professionals, college graduates and entry-level workers.

Many banking sector jobs are based around generating revenue and people working in these roles are usually referred to as sales employees. Other workers in the sector are primarily concerned with saving money and mitigating risk.

### Tellers

Tellers are the bank employees who have the most contact with customers. They accept deposits, cash checks and handle uncomplicated customer service issues. Generally, teller roles are entry-level positions. According to the Bureau of Labor Statistics (BLS) the average teller earns an annual salary of \$24,100.

You can transition from a teller job into a head teller or supervisory role. As a supervisor, you must coach your team to follow industry rules as well as your employer's operating procedures. You also play a role in risk management by ensuring that holds are placed on large dollar transactions or suspicious checks. Some banks require branch managers to have college degrees, but other banks allow experienced teller supervisors to transition into these roles.

### Loan Officers

Banks generate money by issuing loans, which means loan officers have a key role to play in a bank's success. Junior loan officers can write automobile loans and originate applications for unsecured products such as credit cards. You have to pass a background check and register with the National Mortgage Licensing System before you can originate home loans.



Banks employ salaried loan officers who are also responsible for opening transactional accounts such as checking and savings accounts. Some loan officers focus solely on business loans. Additionally, most major banking corporations employ mortgage lenders. These individuals receive all of their pay in the form of commission. As a whole, loan officers have an annual average salary of \$56,490 according to the BLS. Some banks prefer to employ college graduates in lender roles, but other banks allow experienced tellers to transition into these jobs. A bank manager normally has some experience of both teller operations and loan origination.

### Investments

Technically, banks do not employ investment representatives. However, you do find licensed brokers in banks because these individuals are employees of a division of the holding corporation that owns the bank. You have to pass a series of federal licensing exams before you can sell mutual funds, stocks and other securities. You receive your pay in the form of commission and bank employees receive payments for providing you with customer referrals.





Aside from commission-only agents, many banks require customer service employees and loan officers to become licensed.

You continue to receive your basic salary but you also receive commission for securities sales. You do not need a college degree to become an investment representative, but many banks prefer to hire finance or business majors to fill these roles. According to the BLS, the average investment sales person earns an annual wage of \$70,190.

### **Insurance**

As with securities sales people, insurance representatives are employees of the bank holding corporation rather than the bank.

Nevertheless, branches have insurance sales goals and employees make referrals to insurance agents who work on-site. Insurance agents sell products such as annuities, life

insurance and even health insurance policies. Agents are paid in the form of commission and commissions are not generally capped, which means your earning potential is unlimited.

On an annual basis, the BLS reports that agents earn an average annual wage of \$46,770.

You must pass a state licensing exam before you can sell insurance. Many banks require branch managers and loan officers to obtain licenses and annuity sales goals are often included in branch goals.

### **Auditors**

Banking centers are regularly visited by in-house auditors who are tasked with detecting fraud, clerical errors and reducing the bank's operational losses. Banks employ low-level auditors who have no accounting experience but have previously worked as tellers.

These individuals focus on monitoring branch operations. High-level auditors are certified public accountants who audit whole banking divisions. Typically, CPAs have college degrees in accounting or finance. Beyond actual banks, state and federal regulatory agencies also recruit experienced CPAs to work as bank inspectors. These individuals have the authority to shut down insolvent banks. Salaries for in-house auditors vary but the BLS reports that accountants earn an average annual salary of \$70,130.

CPI is now publishing six issues of our newsletter, "The Credit Connection". This gives us a wonderful opportunity to communicate more frequently with fellow CPI members across the country.

We encourage everyone—districts, states, locals and all members—to take advantage of this by sending us information about new members, awards and any news of our members. We, in turn, will publish it for all to read.

We are also interested in getting ideas from you regarding the newsletter. What topics would you

like to see covered? Can your members write articles on a variety of topics for the newsletter? Does your local association have ideas—such as how to recruit new members—that you can share with other local associations?

Let us have your thoughts and input. When CPI members work together, great things can happen!

Linda Bridgeford, CCCE/MPCE  
Publications Chairman



# Don't Let Frugality Ruin Your Retirement

You've spent your entire working life saving for retirement, and if you have done it well, you have accumulated a sizeable nest egg. Because your thrifty habits have served you so well, though, you might have difficulty opening your pocketbook as widely as you could afford to once you're actually retired.

Retirees can be too conservative, holding back on spending in the early retirement years when they are most likely to have good health and high energy. In fact, most retirees still have 80 percent of their pre-retirement savings after 17 or 18 years of retirement.

Here are some ways to get over any psychological hurdles you may have to spending more of what you have:

## **Make Your Favorite Activities Part of the Budget**

Once you have budgeted for your living expenses from your regular retirement income, designate a specific amount for fun, whether it's dinner at a nice restaurant, a weekend getaway, a day out with the grandchildren, or a spontaneous splurge. Because you're accustomed to saving this way from your pre-retirement paychecks, this might be an easy way to transition to treating yourself. Your financial planner can also help you turn your retirement investments into additional income.

## **It is better to give with a warm hand than with a cold one.**

Some retirees hold back on spending on themselves because they don't want to exhaust their children's inheritance. Maybe there is another way to look at it. If you've done estate planning, you have an idea of how much your estate will eventually be worth. If your children are struggling with house payments or college debt today and you can afford to help them out, tell them it's an advance on their inheritance. While you're still around, you will have the experience of easing your loved ones' financial

burdens at a time they need it the most. On the positive side, you could use that money to create experiences your loved ones will never forget, like a safari in Africa for the whole family.

## **Make the Most of Every Dollar**

Even if you've decided to increase your non-essential spending, you can still be frugal about it. Take advantage of the discounts and special savings that are available to seniors at many fast-food restaurants, movie theaters, museums, and transportation systems, among others.

## **Cut Back on Expenses to Fund More Fun**

You can also choose to trim some expenses to free up funds for more of the activities you enjoy. Some of the ways you do that include sharing living expenses with a roommate, trading a high-maintenance house for a less costly condo or RV, and using a social platform like Airbnb or VRBO (Vacation Rentals by Owner) to save on vacations.

## **Reevaluate your Spending Plans**

While you don't want to cheat yourself out of the benefits of retirement you deserve, make sure you don't take your spending too far. Your retirement funds are subject to changes in the economy and other sources, so it's critical to periodically assess your financial situation with your accountant or financial planner and adjust your budget as needed.

## **In the End, It's All about You**

Most financial planning advice for retirement focuses on savings, but if you have saved well, you deserve to enjoy the benefits of your good planning. Each person defines enjoyment differently, so list the things that mean the most to you—family togetherness, charitable giving, leaving a legacy, travel, and so forth.



# Top Ten Tips for Retiring From Your Job

By Melissa Phipps

Are you thinking about retiring?

Considering whether to retire is one of the most difficult career decisions that a worker can make. Employees are often earning their maximum income at the point of retirement so the financial implications can be profound.

Choosing the right time to retire can help workers to enjoy the most meaning and satisfaction during their senior years. Careful planning about the transition from full-time employment to retirement can enhance your chances of making a smooth adjustment.

Take a close look at the top ten tips for retiring from your job



## 1. **Be sure you really want to retire**

Don't confuse an unsatisfying job situation with an imperative to retire. Ask yourself if you would still retire if you were carrying out your job duties in a better situation. For example, if you had a more supportive boss, or worked at an organization which did a better job of recognizing contributions, would you prefer to continue working?

## 2. **Check out alternative careers**

Employees who are working in a job which is not a good match for their skills, values and interests are more likely to rush a retirement. Make sure that you wouldn't be happier with a career change than with retirement. If you have any doubts, consult a career counselor and see if you come up with any inspiring alternatives.

**3. Make sure you can afford it.** Track your expenses so that you have a realistic handle on how much income you will need to sustain your preferred lifestyle. Factor in changes that you would anticipate after retirement. For example, you might spend less on work clothes and commuting but spend more on travel and vacations.

**4. Consider phasing in retirement.** If you need to generate some income or would prefer to continue with some employment, consider exploring the possibility of reducing your hours at your current employer to phase in retirement. In some cases, your employer might also consider retaining you in some other role if you are looking to downshift in order to reduce stress. For example, a salesperson in a high-pressure sales environment might take on a much less stressful role in customer service.

*Continued on page 11*



**5. Get health insurance.** Investigate options for healthcare coverage and know the costs. Meet with a member of the Human Resources staff so that you are fully aware of any post-retirement benefits offered and the implications for your transition.

**6. Meet with a financial planner.** Consult a financial planner to gain a realistic view of your retirement income. Visit the Social Security Administration website or your local office to obtain an estimate of your benefits. Reach out to representatives from your pension or 401k plans to identify your income potential from those sources.

**7. Get references.** Secure references from key individuals at your organization while you are still in close contact. Many retirees decide to return to the workforce or pursue volunteer positions which require recommendations.

**8. Leave your job on a good note.** Finish out your tenure of employment in a positive way. Work hard until the end and resist the temptation to criticize any supervisors or co-workers as you depart. You may take on endeavors which require background checks in the future.

**9. Figure out what you are going to do with your time.** Consider how you will spend your time when you are retired. It may seem enticing to escape the stress of work and just lounge around in retirement, but most retirees need more than relaxation to lead a satisfying life. Take stock of your interests and values, and meet with a career and life planner for help, if necessary. Revisit passions which you may have pushed aside for practical reasons. Most retirees are happier if they have some formal engagements like freelance work, a part-time job or a volunteer position.



**10. Do some test runs.** Are you worried about how satisfied you might be with your anticipated retirement activities? Perhaps the best way to prepare for retirement is to take some extended time away for a trial run. Test out some of your planned retirement pursuits while still employed, if feasible. For example, you might start to volunteer, or do some consulting or freelance writing to explore the viability of those options.

## 2019 International Conference

June 27-29, 2019

Hilton Garden Inn

Albuquerque, New Mexico



# International Walk-A-Thon

Albuquerque, NM

June 27, 2019

We Walk For the Children



Sponsored by: Credit Professionals International  
Credit Education Resources Foundation  
National Center for Missing and Exploited Children



## Sho'shanah Ward

Female **DOB** 8/29/2000. Missing 6/16/2018 from Kent, WA  
Race: White  
Brown hair. Brown eyes. Ht. 5' 5" Wt.: 130 lbs.  
Sho'shanah was last seen on June 16, 2018. She may still be in the local area

Contact: Columbus Police Department (Ohio): 1-614-645-4545.

## Savannah Tigner

Female. **DOB**: 4/1/2001. Missing: 6/19/2018 from Selmer, TN.  
Race: White  
Bwn hair. Brown eyes. Ht. 5'1" Wt. 100 lbs.  
Savannah was last seen on June 19, 2018.

Contact: Selmer Policed Department (Tennessee) 1-731-645-79068



## Tanith Meeks

Female. **DOB**: 9/19/2002. Missing: 6/9/2018 from Gainesville, GA  
Race: White. blonde hair. Brown eyes. Ht. 5'5". Wt: 120lbs.  
Tanith was last seen on 6/9/2018. She is an endangered runaway.  
Contact Hall County Sheriff's Office (Georgia) 1-770-536-8812.

## Keonna Boyd

Female. **DOB**: 8/17/2001. Missing: 2/28/2018 from Kansas City, KS.  
Race: Black. Black hair. Brown eyes. Ht. 5'4" Wt. 105 lbs.  
Keonna was last seen on May 28, 2018.  
Contact: Kansas City Police Department (Kansas) 1-913-596-3000



ANY ONE HAVING INFORMATION SHOULD CONTACT:  
The National Center for Missing and Exploited Children  
1-800-843-5678 (1-800-THE LOST)  
Child Find Canada—1-800-513-3463