

Spotlight

A Publication of Cedar Point Federal Credit Union

February 2012

Life Change To-Do Lists

Life changes--such as getting married, divorced, having a child, or facing widowhood--require more than the subsequent emotional adjustment. These milestones also signal the need to take stock financially and make any necessary adjustments.

Marriage

- Have the money talk.* Sit down and set financial goals--do you want to save for a new house? Have five kids? Decide if you're going to pool your assets or maintain separate share draft/checking or savings accounts.
- Corral credit.* Exchange credit reports and take a financial inventory. Focus on cleaning up any credit problems and curtailing future debt.
- Make name change notifications.* Make a list of agencies to notify if you're changing your name, including credit card issuers, the Social Security Administration (www.ssa.gov), the motor vehicle department, and the U.S. Passport Office.
- Create or update your wills and powers of attorney.* You can contact your Chamber of Commerce for assistance or talk to friends and neighbors to find a reputable attorney.
- Check your insurance.* Review your auto, health, property, disability, personal liability, and life insurance coverage. Update beneficiaries on your policies, your IRAs (individual retirement accounts), and other investments.

Divorce

- Educate yourself.* Go through financial accounts and figure out where the money is. Pull credit reports to see if there are any credit cards or loans that you don't know about.
- Collect information.* Before your first visit to an attorney, make copies of all financial records, including statements from financial institutions and brokerage companies, tax returns for the past two or three years, mortgage documents, insurance policies, wills, and trusts.
- Establish credit.* Open and fund a share draft/checking and savings account in your own name. Get a credit card in your own name and manage it carefully.
- Update wills and beneficiaries.* See above.
- Separate credit accounts.* Debt incurred in a joint account will follow both spouses after the divorce. Talk to your lawyer about how to best close joint accounts and limit your liability.
- Maintain insurance coverage.* During separation you may still be covered under your spouse's health insurance, but once you're divorced, health insurance must be specified.

Death of a spouse or parent

- Get 10 death certificates.* You'll need these extra copies for such things as insurance, 401(k) payouts, Social Security, probate, and to change the title on property.
- Organize finances.* Go through all financial papers and make a list of assets and liabilities; gather statements from financial institutions and brokerage companies, insurance policies, employment records, tax returns, and so forth.
- Cancel accounts and services.* Check for and cancel any automatic or online bill paying services unless you'll continue to use them. Notify any fee-based membership or subscription services to cancel accounts such as health clubs, magazine subscription, online services, and so forth.
- Contact income providers.* Notify old employers, pension fund administrators, and financial institutions holding IRAs or other retirement income accounts. Each may have a different beneficiary. If the deceased received Social Security benefits, notify the Social Security Administration as soon as possible, since the estate will have to pay back money received after the death. Check with a certified public accountant or tax preparation service to see if there are tax considerations that need attention.
- Contact life and health insurance providers.* Insurance companies will distribute money to the beneficiary listed on the policy. Don't cancel health insurance until all outstanding bills have been paid.

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Life Change To-Do Lists

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Expecting a new baby (birth or adoption)

- ☑ **Understand your finances.** If you're planning on moving, buying a bigger car, or want to quit work to raise the baby, you'll need to create a budget that allows you to forecast where you will be financially.
- ☑ **Insure your coverage.** Visit your employee benefits department to find out what your policy covers, and how much time you have to add a new baby or adopted child to your policy. Research and understand other policies at work relating to such things as maternity or family leave, and flex spending accounts.
- ☑ **Create or update your wills.** Besides instructions about how the estate should be distributed, wills also should include the name of whomever the parents have chosen as their child's guardian. Parents also may wish to appoint a different person to be the guardian of the child's money.

And of course, remember that Cedar Point member service representatives are always happy to assist you. Visit us at any office, call 301-863-7071 or find us online at www.cpfcu.com

Going Green Tips

1. Bike instead of drive. You'll save money on the cost of gas and give your body a great workout, too.
2. Pick the right light. Exchange your light bulbs for compact fluorescent bulbs that last longer and burn less energy.
3. Choose products with less packaging. They usually end up saving you money as well as room in the landfill.
4. Plant a tree. Enjoy its growth for years to come.
5. **Sign up for e-statements. Talk to your favorite member service representative at 301-863-7071 for details.**



Cedar Point Financial Services, Inc.

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presents

LESSONS over lunch

Seminars are free and open to the public.
You are invited to bring your lunch to the 11:00 sessions
Drinks and snacks will be provided at 11:00 & 6:00

Tax Strategies

Thursday, February 16, 2012
11:00 am

Retirement Planning

Thursday, March 22, 2012
11:00 am & 6:00 pm

Federal Employee (FED) Benefits

Tuesday, April 17, 2012
6:00 pm

Estate Planning presented by Joann Wood

Wednesday, May 16, 2012
6:00 pm

Headquarters Office
22745 Maple Road, Lexington Park

Reservations are requested.
Please call Dora (ext 8427) or Michele (ext 8432)

301-863-7071

Or sign up online at www.cpfcu.com

Before You Get Too Friendly...

If you're thinking about joining or using a social-networking site, keep these ideas in mind:

- Consider site privacy and logistics policies. Some sites allow only users to access posted content, while others have lax privacy policies.
- Restrict access to your profile and information. Do not correspond with anyone you don't know or trust.
- Do not post or reveal personal information. Likewise, don't post anyone else's personally identifiable information.
- Use unidentifiable screen names. Make sure your screen name does not reveal your name, age, hometown, or residence.
- Do not trust strangers. Do not provide sensitive financial information over the Internet or phone unless you initiated the contact and are communicating with a verified and secure location, such as the number or Web address found on the back of a credit card or statement.



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