HEADS-UP

FEBRUARY 2012

KIRTLAND FEDERAL CREDIT UNION

Federally Insured by NCUA

Don’t be Fooled…
by 0% Credit Card Offers!

Almost everyone receives 0% Annual Percentage Rate (APR) credit card offers in the mail around the holiday season. Who wouldn’t be enticed? Borrowing money for free sounds like an awesome deal! Financial institutions send these 0% APR promotions knowing they will lose money at the beginning. They hope your holiday and other spending will add up to a hefty balance on that card. If you can’t pay the entire balance by the end of the promotion period, you may end up paying significantly more than you can afford.

Most 0% APR offers are for balance transfers, meaning you can only transfer other credit card balances onto their card. This may sound like a debt consolidation option, but be very careful. They may add on a debt transfer fee. Also, the APR for regular purchases and/or cash advances may be much higher. If a late payment is received during the promotional period, they likely will default you out of the 0% APR and begin to charge you the card’s regular rate. And, if the entire balance you transferred over isn’t paid off by the end of the promotion’s timeframe, the 0% rate will skyrocket. Here’s something else to consider if you can’t pay it off, the card company may also charge you, at the full rate, any retroactive interest you would have accrued over the entire 0% promotional period! Suddenly, the “good deal” doesn’t look so good. Always read the fine print to know what you’re signing up for.

KFCU doesn’t run “specials” on our Visa® credit card! Our every day rate is as low as 5.75%, depending on your credit score. Not happy with your current credit score? Let our contracted partner, BALANCE© *(a free service for our members)*, help you set up an improvement plan so you can enjoy the maximum benefits! Don’t need low interest? With our Visa® Platinum credit card, you can change between low interest, cash back or rewards on the same card account at any time with a simple phone call! Already enjoying the benefits of our amazing Visa® card? Share the benefits of KFCU membership with your family and friends.

Is the London 2012 Olympic Games on Your Bucket List?

HERE’S WHAT YOU CAN WIN:

- **4 Day, 3 Night trip for 2 to the London 2012 Olympic Games**
- **Roundtrip airfare & local transportation for 2**
- **Four-star hotel accommodations including daily breakfast**
- **Tickets to London 2012 Olympic sports events**

Kirtland Federal Credit Union, along with other Credit Unions, wants to give you the chance to win the trip of a lifetime to the London 2012 Olympic Games courtesy of Visa®. Simply sign for purchases with your KFCU Visa® Debit Card or KFCU Visa® Platinum Credit Card between February 1 and April 30, 2012 to be automatically entered for a chance to win. Be sure to **sign** for each purchase -- PIN purchases do not qualify. The more you use your KFCU Visa® card, the more chances you have to win!

NO PURCHASE OR OBLIGATION NECESSARY TO ENTER OR WIN. Non-Purchase Entries and Purchase Entries Have an Equal Chance of Winning. For more details visit: www.pscufs.com/visalondon.

2012 Youth Savings Carnival

Let KFCU help teach your Teens & Pre-Teens about money, budgeting, “dollars by educational degrees” and more! Bouncy Castles, face painting, and more. Prizes, fun activities and food! Free admission!

Saturday, February 25
10:00am – 2:00pm

NMANG Armory on Wyoming
RSVP at www.kirtlandfcu.org or call 254-4340.

KFCU Annual Membership Meeting (FREE event)

Tuesday, Feb 28
4:30pm

Location: Gibson branch, Education Center, Training Room A. For more information, call Jane Yates at 254-4315.

Free Webinar: Secrets to Improving Your Credit Score

Your credit score affects many things in your life! Not only interest rates on loans, mortgages, and credit cards, but also insurance rates and even job opportunities. Almost EVERYONE could do better with a little effort. Join us in a private Webinar to learn how you can improve your score to enhance your lifestyle.

Wednesday, February 29
6:00pm – 7:00pm

Guest Speakers:
KFCU Lending officer, BALANCE© Financial Counselor

RSVP at www.kirtlandfcu.org

Look for KFCU on Facebook. Our page contains our logo.

REACH US
- Member Services - 505-254-4369 or 800-880-5328
- Teller Phone - 505-254-4367 or 800-880-8277
- Direct Extension Dialing - 505-254-7070
- Loans by Phone - 505-254-4368 or 800-239-8709

LOCATIONS
- 6440 Gibson Blvd. SE
- 8900 Montgomery Blvd. NE
- 10200 Corrales Rd. NW
- 3650 Sherman Ave. SE (KAFB)

HOURS
City Branches
- Mon. - Thurs. 9am–5pm, Fri. 9am–6pm, Sat. 9am–3pm

KAFB Base Branch, 3650 Sherman Ave. SE
- Mon. - Thurs. 9am–4.30pm, Fri. 8am–4.30pm, Sat. Closed

Mobile CU Anytime ATM Locator

CU Anytime has developed a new locations application for Smart Phone users! The black & white pixel design is a Quick Response Code (QRC). You'll first need to download one of many code reader applications available on Smart Phones today—we liked RedLaser—it's free and easy to use. Then scan this QRC to be taken to the CU Anytime page.

Tap "ATM & ATM Deposit Locations" and then search by city or by Zip code. Next set your radius and press "done". You then press "search" to find a nearby CU Anytime ATM. Tap the ATM location "bubble" on the map and you'll get an address. Tap on "directions" and your smart phone will give you routes and directions. Bookmark this QRC for future reference.

Just scan and discover all your Network ATM locations!

Yours, Mine and Ours — A Couple's Guide to Retirement Planning

While the reasons for earning two incomes may vary from couple to couple, these families often face a similar financial challenge: participation in separate retirement programs.

As a couple, your combined retirement assets are not just limited to what you may have accumulated in your current employers' retirement plans. You also need to consider any older accounts that are still sitting in former employers' plans, or assets that have been moved to rollover IRAs. After inventorying your various retirement assets, consider some areas where a joint planning effort may help enhance your investment outcome.

Setting a Mutual Goal

Pursuing the goal of retiring together requires a long-term approach. Start by determining how large a combined nest egg you will need. This will depend on how much you have already saved and when you hope to retire, as well as your retirement lifestyle choices–where you plan to live, whether you plan to maintain more than one residence and what you plan to do with your time. All of these factors will affect your retirement income needs.

Keep in mind that Americans are living longer and that one or both of you could spend 20 or more years in retirement. Also carefully review the potential financial benefits of delaying retirement. Working for an extra few years could enable you to continue making contributions to your IRA or employer-sponsored retirement plan and delay taking withdrawals.

Asset Allocation

As with any investment portfolio, your retirement accounts should work in unison to pursue a single accumulation goal. Ask yourselves whether your overall asset allocation is appropriate for your combined objectives and risk tolerance. Are the portfolios adequately diversified? Are they over weighted in any one asset class or individual security? Also consider how your retirement portfolios complement your other assets, such as taxable investment accounts and real estate.

Distributions

For couples in or near retirement, an equally important part of the planning process is determining when and how to withdraw money from retirement accounts. Consider which accounts *(i.e., taxable vs. tax-deferred)* to tap first. It may be better to liquidate assets in taxable accounts, allowing assets in IRAs and qualified retirement plans to continue growing taxdeferred. Remember, however, that with few exceptions, the IRS requires individuals to begin withdrawing money from taxdeferred accounts no later than age $70^{1/2}$, at which point you may want to rethink your distribution strategy. For instance, might it make sense to convert a Traditional IRA

to a Roth IRA to avoid taking distributions altogether? Your tax advisor can help you consider the tax consequences of conversion, as well as the potential benefits of a Roth IRA.

These are just a few of the issues dual-earner couples need to consider when managing their individual retirement plan accounts. Since no two couples' financial situations are alike, the best course of action is to call Kirtland Financial Services at 505-254-4363 and make an appointment today to begin devising a coordinated plan for meeting your future financial needs.