

# Financial Issues

WINTER 2020

CEFCU® Investment Services and Wealth Management

Investment Services • Retirement Planning • Trust and Investment Management

## Revocable Trusts Do Double Duty!

While you can't predict the future, you can prepare for it. A common question is: what's better — a will or a trust? There are preconceived notions that someone is too young for a will, or trusts are just for the wealthy. That's simply not true. We ALL accumulate assets. Money is one asset, but so are physical items, like cars, houses, antiques, etc.

Whether you're building assets, have accumulated assets, or have relatives who need to protect assets, it's never too early to think about a plan for who and where they'll go upon your or a loved one's passing. If you can make clear decisions now, you can make life's transitions much easier for the people you love later on.

### So, a will or a trust?

If you want flexibility, a revocable trust is one of the best ways to organize your assets. A revocable trust is just that — revocable. It can be changed anytime. A will can be changed, too, but a revocable trust does double duty. You work with an attorney and financial advisor now to develop a plan for how and when you want your assets distributed upon your passing or handled if you become incapacitated and are unable to make financial decisions.

A will can be an important estate-planning tool, but it only takes effect upon one's passing. It can also be changed while you're still living. Also, with just a will, your estate may need to go through probate court, incurring additional costs and delaying distribution.

Kevin Barbier, Trust and Investment Officer and CERTIFIED FINANCIAL PLANNER™ professional, can work with you, your family members, your attorney, accountant, and other advisors to openly discuss and develop a revocable trust. Kevin's team provides everything necessary to ensure your wishes will be carried out.

Your peace of mind is on our mind. For more information, or to schedule an appointment, call 309.633.3836 or 1.800.356.7865, ext. 33836, or visit [cefcu.com/wealth](http://cefcu.com/wealth).



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REVOCABLE  
TRUSTS



WILL VS.  
TRUST



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# Register for Upcoming *LIVE* Virtual Investment Seminars

Hosted by CUNA Mutual Group



## Social Security & Your Retirement

**Dec. 1, 2020**

**Presenter:** Mike Mason, CRPC® BFA™ NSSA™  
Regional Sales Director, CUNA Mutual Group

**Time:** 4 p.m. (PT)/6 p.m. (CT)

Covers key issues, including: the rules for starting benefits, coordinating benefits with a spouse, how to potentially increase benefits, and how the benefits fit in your retirement plan.



## Income For Life

**Dec. 8, 2020**

**Presenter:** Mike Mason, CRPC® BFA™ NSSA™  
Regional Sales Director, CUNA Mutual Group

**Time:** 10 a.m. (PT)/Noon (CT) or 4 p.m. (PT)/6 p.m. (CT)

Having a stream of retirement income is an important part of the road ahead. Will Social Security be enough? What about your 401(k) or other assets? Get income strategies to help set your financial direction.



## Women & Investing

**Dec. 9, 2020**

**Presenter:** Cindi R. Hill, CFP®, IACCP<sup>SM</sup>  
Members Life Insurance Company, CUNA Mutual Group

**Time:** 3:30 p.m. (PT)/5:30 p.m. (CT)

The fact is, women tend to live longer than men. For retirement, make sure you know the key investment principles and important opportunities to strengthen your investment portfolio.

**To reserve your virtual seat,  
go to [cefcu.com/seminars](https://cefcu.com/seminars).**

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# Roth IRA Conversions May Now Be Even More Advantageous

With low federal income tax rates and the changes enacted in the Setting Every Community Up for Retirement Enhancement (SECURE) Act, converting an Individual Retirement Account (IRA) or a rollover from a workplace retirement plan into a Roth IRA is an excellent investment choice!

Taxable incomes have also declined for many households due to the economic slowdown from the COVID-19 pandemic. This has put some Traditional IRA owners in lower tax brackets, potentially reducing that tax deduction.

## More Benefits

A Roth IRA grows tax-free, and withdrawals in retirement are also tax-free. (You pay taxes upfront on the money you put into a Roth IRA.) You can still contribute up to \$6,000 a year (\$7,000, if you're 50 or older) and have flexibility to contribute money over time or as a lump sum. Other benefits:



**There are NO Required Minimum Distributions (RMDs).** So, you don't have to take any money out of a Roth IRA if you don't want to.



**There's no age limit to open a Roth IRA.** You can open one at any age, as long as you have earned income.



**If you're at least 59 ½ years old and have had a Roth IRA for at least five years, you can take distributions (including earnings) without paying federal taxes.**



**While converting a Traditional IRA to a Roth IRA is taxable, you only pay ordinary income tax on the converted amount — not capital gains.**

Other reasons to consider converting to a Roth IRA include: portfolio diversification and more flexible contribution and withdrawal choices. What's best for you? Contact a member of the CEFCU Investment Services team. Advisors are available by phone, online, or in-person at most Member Centers. To schedule a no-obligation appointment, call 309.633.2571 or 1.800.356.7865, ext. 32571, or visit [cefcu.com/invest](https://cefcu.com/invest).

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## Advisor Spotlight: Meet the Newest Team Members



**Adam Personett**  
Financial Advisor  
[apersonett@cefcu.com](mailto:apersonett@cefcu.com)



**Darrell Quast**  
Financial Advisor  
[dquast@cefcu.com](mailto:dquast@cefcu.com)

Welcome both Advisors to the CEFCU Investment Services team! In addition to their bachelor's degrees and licensing to sell securities and insurance, both served our country in the military for several years.

Helping you reach your financial goals is their number one priority. Both team members can provide:

- 401(k) Planning
- Retirement Planning
- Education Funding
- Investment Management
- Insurance Planning

Meet the whole Investment Services team  
at [cefcu.com/advisor](https://cefcu.com/advisor).

**CEFCU**<sup>®</sup>  
Investment Services



## Investment Services & Wealth Management

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## Personal Banking Options, too!

If you need a full range of wealth management services, a member of CEFCU's Private Member Group can meet with you at your office or home — whichever is most convenient for you. Services include facilitating:

- ◆ Personal lines of credit
- ◆ Jumbo or specialized mortgages
- ◆ Construction financing
- ◆ And, much more!

Brad Schupp, CEFCU's Private Member Group manager, has over 25 years of experience serving members with diverse financial needs. Contact Brad at 309.633.7489 or 1.800.356.7865, ext. 37489 or at [bschupp@cefcu.com](mailto:bschupp@cefcu.com).



## Call Us Today!

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