

# MONEY SENSE

**Genesis**  
FINANCIAL MANAGEMENT INC.

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## NEW BEGINNINGS, DEBT FREE

### Identity Theft: You Can't Afford to Ignore It

Identity theft may be one of the fastest growing— but least appreciated—crimes in America. Recent data from the General Accounting Office indicates that as many as 750,000 people a year may be victims of having their personal and financial identities stolen— through theft of their social security cards, credit or debit cards, and even phone calling cards.

How does someone steal your identity? The most common methods are still “dumpster-diving” - where thieves go through trash to find statements or solicitations that weren't properly shredded—and “shoulder surfing”- where someone tries to obtain credit card, PIN and other numbers by looking over your shoulder while you're making a transaction. But thieves are getting more sophisticated and are now also using the Internet to scam consumers through false advertising as well as “skimmers” which can read information off of credit cards and save hundreds of pieces of data. For example, a criminal may bribe a waiter in a restaurant to use a skimmer and collect numerous identities in the course of one evening. No matter how it happens, identity theft can take a devastating financial—and personal- toll on its victims.

While there is no way to shield yourself 100% from ever becoming a victim, you can protect yourself by minimizing the exposure of your personal information:

- **Eliminate the private records and statements you no longer need** by ripping up, burning, or shredding them.
- **Secure your mail** by emptying your box quickly or, better yet, by getting a PO Box. Never mail outgoing bill statements and checks from home. It's too easy for a would-be-thief to steal them out of your box.
- **Avoid carrying around any cards that have your social security number on them** . Don't forget about health insurance cards! And avoid putting your social security number on your checks.
- **Never leave behind credit card, ATM or gas station receipts**. It's an open invitation.
- **Avoid letting your credit card out of your sight**.
- **Monitor your credit report regularly** and report anything

suspicious to your card company or the creditor immediately.

- **Protect your personal information** by asking salespeople and others if they absolutely have to have your Social Security or Driver's License numbers. If they do, ask them about their privacy policy and if you can “opt-out” of having them share your information with anyone else.

Taking some simple steps now can help you avoid a lot of headaches later.

*Article contributed by Joseph Kilgore*

#### Dollar \$aver\$: Energy Bills

- Ask your utility company about a free home energy audit. They can help you identify ways to save up to \$100's a year on your bills.
- Raise your thermostat by a few degrees in the summer and lower it by a few degrees in the winter.
- Install low-flow shower and faucet heads.

#### Payment Address

**Genesis Financial Management**  
**P.O Box 758602**  
**Baltimore, MD 21275-8602**

#### Are you using this address?

**As of July 1, our previous address is no longer in service.** If you make your monthly payments by Money Order, please be sure you are sending them to this address so that we may continue to process your payments in a timely manner.



#### Credit Fact:

More than a third of credit card companies now apply "**Universal Default**" rules to their customers. Under this rule (usually buried in the fine print of your cardholder agreement), if you are late by more than 30 days on **ANY** bill (not just theirs), a creditor can raise your interest rate as high as 29.99%. Creditors monitor your bill-paying history through periodic reviews of your credit report

Build your home equity faster with extra payments. One extra payment per year can shave 5-8 years off your loan.

#### Genesis Financial Management

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## One Client's Story of Success...

Charles and Lauren Neuner's story is not uncommon. They utilized credit to extend their standard of living, trying to have, as a young married couple, the same lifestyle it had taken their parents years to achieve. They were able to make their minimum monthly payments up until they encountered some of life's inevitable, unexpected expenses. Their incomes were not keeping pace with the bills they had coming in.

They began to fall behind in their payments, and the

creditors started calling. They were so frustrated they didn't know what to do. Bankruptcy began to seem like the only option. But then they saw an ad for Genesis, and they took a chance. It was April 2003, and they had over \$8000 in debt.

They say it was a hard call to make at the time, but they are so glad they did, as they just celebrated their final payment on the debt management program .

They are excited about the future and about having a

"clean slate" to start from. They have begun shopping for a home and are learning to live without credit cards.

Their advice to others who are still working towards their debt-free goals through Genesis? Stick with it. Paying off all of the bills can take some time, but it will happen, and the patience and hard work is well worth it.

We want to extend our sincerest congratulations to both Charles and Lauren on a well-earned accomplishment.

## Money Smart Topic of the Month: Save BIG on your Mortgage

Did you know that by making one extra mortgage payment a year, you can shave 5-8 years off of your loan, and save thousands of dollars in interest? Where do you find that one extra payment? Consider these ideas.

With a biweekly payment plan, you pay your mortgage in 26 biweekly installments, which in effect adds up to one extra payment per year. You may have already been contacted by your lender

about enrolling in a bi-weekly plan. Be aware, though, that some lenders want to charge you for setting up this special plan when, in fact, it's something you can do yourself for free.

Another idea is simply to divide your regular monthly payment by 12 and send this extra amount with each monthly payment you make, being sure to specify that it be applied to the principle balance of your loan. To

avoid confusion with your mortgage company, who may not accept partial payments, be sure to send your extra payment and your regular monthly payment together. Contact your mortgage company if you have questions. And keep in mind, it may also be more beneficial in the short term to apply extra cash towards your higher-rate debts, like credit cards. *Article contributed by Danielle Laughlin*

## Please Note: Your Balances May Look Different

When you receive your next monthly Progress Report from Genesis, please note the balances listed for your creditors.

A few months back, we issued a request for updated balances. Due to a system conversion last fall, we did not have the most current balances for a number of

accounts, and these accounts were in danger of inactivating prematurely.

To prevent that from happening, we re-set the balances to be 24 times your monthly payment (i.e. if your monthly payment was \$50 to a given creditor, the balance for that creditor would have been set at

\$1200)

In order to ensure that we are in synch with your actual balance and to make it easier for you to reconcile your Progress Report from us against your creditor statements, please contact us as soon as possible—via phone or by email—so that we may update our system.

Visit Us On The Web At: [www.genesisfinancialmanagement.com](http://www.genesisfinancialmanagement.com)