

UNDER THE Arch



Gateway Metro Federal
CREDIT UNION
Since 1935

TEACHING KIDS AND TEENS SMART MONEY HABITS

Think back to how you formed your financial habits. Did you learn everything you needed in school? From your parents? If you could go back and talk to your younger self, what financial pitfalls would you tell yourself to avoid? If you have children of your own, you may be wondering how and when to start teaching them smart financial habits like saving early and spending responsibly. Younger kids enjoy the process of learning and earning rewards, while teens will be motivated to learn because they are yearning for financial independence. As a parent, you can capitalize on these wants to help teach your children to build a strong financial foundation for their future. If you're not sure where to start, here are a few activities to help.

Money Activities For Kids

Even pre-school aged children can start learning money habits and early math skills. The activities below use children's natural curiosity to learn as well as their reward-orientated motivation to encourage their money awareness.

1. Use a clear jar instead of a piggy bank to save money. They'll be able to see and enjoy the money as they watch it grow.
2. Create a chore or simple money-earning task for your child. Then have them put some money aside for saving while allowing them to spend the rest on themselves or someone else. This will start to show them what items actually cost while reinforcing that they should always save first.
3. Send your kids on a house and car scavenger hunt looking for loose change. Then you can either have them put the coins directly into their savings jar or they can sort the coins and put them into coin wrappers.
4. Start a family game night with board games that involve collecting and spending money. Search online for versions of popular board games that have been adapted for younger players.
5. Roleplay with your kids going to the grocery store, or to your financial institution. Let them fill out checks and deposit slips. You can even pretend they are running their own business. Use their natural creativity to engage them in play that plants seeds of financial responsibility.

Teens And Money

Teaching teens smart money habits, or anything really, can be a challenge. However, with the right motivation and a lot of patience from you, your teens can learn to manage their finances.

1. Sit down and have a talk with them. Teens value honesty and authenticity. Share with them the financial mistakes you have made. They will appreciate your ability to admit you aren't perfect. They may not take your advice off the bat, but you are planting seeds that will blossom later as they mature.

2. If they don't already have one, set your teen up with a checking and savings account. Your financial institution may even have credit cards designed specifically for teens that allows you to monitor and set spending limits. Your teen will gain the feeling of autonomy while still giving you some oversight on their spending habits.
3. Encourage them to think of some large, but fun purchase they want to make. It can be anything from saving for prom, buying a new car, or going on a spring break trip. Help them budget for the expenditure and think of creative ideas to earn the money for it. If they know they will be spending their money on something fun, they will be more likely to save for it. If you're able, you can even match their savings as a reward for their discipline and focus.
4. Find an online investment simulator geared for teens. A simple google search can find a few programs, some even allow teens to earn dividends. Whether real or a simulation, these programs are simplified investment plans to teach teens how to invest, buy, sell, and trade on stocks. If you have more than one teen, you can turn it into a simulated competition to see who can earn the most.
5. Help your teen research the costs of colleges and the starting salaries of the career path they are considering. Have your teen look up the cost of the college tuition, living costs and books for the college they're hoping to attend. Then, compare those numbers with the starting salaries for their dream job. This may be a huge reality check for some teens. You can use the opportunity to discuss their education goals and the best ways to pay for tuition and books. Student loans, scholarships and part-time jobs can all be part of the discussion.

Final Thoughts

One of the best ways to teach your children is to lead by example. This is an opportunity for you to stay on track financially and discuss mistakes that you may have made along the way. In the end, your honesty and consistency about financial habits will stick with your children for many years, even if they don't seem open to it at first. Keep the faith, and your patience, and you can prepare your children for a lifetime of financial success.

Article source: <https://gmcu.balancepro.org/resources/newsletters/teaching-kids-and-teens-smart-money-habits>

OUR NEW ONLINE BANKING IS NOW LIVE!

We thank you for your patience during this transition to the new system. If you are still experiencing issues with logging in please visit <https://gogmfcu.org/online-banking/> to learn more about first-time log ins for the new Online Banking.

“BACKDOOR” ROTH IRAS

If you make too much money to open a Roth IRA, you could create one this way.

You can sum up the appeal of a Roth IRA in three words: federal tax benefit. Potential earnings in a Roth IRA grow tax free as long as the owner abides by the Internal Revenue Service (I.R.S.) rules, and withdrawals are federally tax free once you reach age 59½ and have held the Roth IRA for at least five years.

Unfortunately, some people make too much money to contribute to one. In 2020, joint filers with modified adjusted gross incomes (MAGI) of \$206,000 or more and single filers with MAGI of \$139,000 are not eligible for a ROTH IRA.

There is a way for high earners to bypass these limits, however: the “backdoor” Roth IRA strategy.

High-income taxpayers may create Roth IRAs indirectly. This involves a little maneuvering, but may be of interest to certain investors.

The “backdoor” IRA strategy typically starts with the creation of a traditional IRA. The contributions to this new IRA are usually non-deductible, because of the IRA owner’s high modified adjusted gross income. This new traditional IRA is fully or partly funded, and with a financial professional’s help, it is quickly converted to a Roth IRA, and any tax liability is paid.

Why does speed matter in this strategy? Well, the longer it takes to convert the traditional IRA into a Roth IRA, the greater the potential earnings of that traditional IRA. Since any traditional IRA earnings converted over to the Roth represent taxable income, those earnings should be minimal if the transfer is completed shortly after opening the account. (In the above example, the IRA contribution is made with after-tax dollars, so the initial contribution amount is not subject to federal taxes.)

Keep in mind this article is for informational purposes only. It’s not a replacement for real-life advice, and a professional should be consulted before attempting this type of strategy. Also, tax rules are constantly changing, and there is no guarantee that the tax treatment of Roth and Traditional IRAs will remain the same.

Plusses and minuses. The big attraction is the potential for tax-free retirement income, not to mention tax-exempt growth for the account. In addition, while mandatory annual withdrawals are required from traditional IRAs starting at age 72, no mandatory annual withdrawals are required from Roth IRAs while the original owner lives. Under the 2019 SECURE Act, most non-spouse beneficiaries of a Roth IRA are required to have the funds distributed to them by the end of the 10th calendar year following the year of the original owner’s death.

Any Roth IRA conversion is a taxable event, and these conversions cannot be undone. That given, think about the basic rules for traditional IRAs. Generally, distributions from traditional IRAs must begin once you reach age 72, and the money distributed to you is taxed as ordinary income. When such distributions are taken before age 59½, they may be subject to a 10% federal income tax penalty.

Would you like to discuss investments or your financial goals? Reach out to Bill Anderson at 636-222-7585.

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ABOUT BILL



Bill has been a financial advisor since 2012, focusing on creating a client-centric experience by providing education, organization, objectivity, proactivity, accountability, and partnership.

In 2012, Bill started his financial services career at Edward Jones, providing investment services, retirement planning, protection strategies, estate planning opportunities and education savings plans for almost six years. In April of 2018, Bill moved his practice to Huntleigh Securities to provide a more customized client experience for his varied clientele and continue to grow professionally.

Since then, Bill has continued to grow his services and practice, and has expanded into offering services and advice to Gateway Metro Federal Credit Union members through Strategic Wealth Advisors.

LOST CREDIT/DEBIT CARDS

If your GMFCU credit or debit card is lost, stolen or if you suspect unauthorized use, please call:

CREDIT CARD - (800) 558-3424, 24 hours a day

DEBIT CARD - (314) 621-4575 or (800) 621-4828 during business hours or (800) 472-3272, 24 hours a day.

LOAN RATES

Effective September 15th, 2020

Gateway Metro rewards our members with low rates.

VEHICLE LOANS AS LOW AS

Approx. Payback Term	Rate
up to 36 months	2.99% APR*
37 to 63 months	3.45% APR*

OTHER LOANS AS LOW AS

Mortgage	Visit GoGMFCU.org for current rates.
Savings Secured	2.10% APR*
Stock Secured	9.25% APR*
Signature Loans	Now as low as 4.99% APR* during our special offer!
Personal Line of Credit	12.90% APR*

*APR=Annual Percentage Rate. Rates are subject to change, and terms and conditions apply. Our website contains the most current rates. Contact GMFCU for complete details. NMLS# 410276

UPCOMING EVENTS

SHRED DAY AT ST PETERS:

September 26th, 2020 | 9am - 11:30am

PAWS IN THE PARK:

September 20th - 27th, 2020 | Physical event cancelled. This is now a Virtual Race.

COLUMBUS DAY:

October 12th, 2020 | All locations closed.

Loan Problems & Questions

HAVE RECENT EVENTS CAUSED YOU DIFFICULTY WITH MAKING YOUR LOAN PAYMENTS? GATEWAY METRO IS HERE TO HELP WITH A SUPPORTIVE MEMBER RESOLUTION DEPARTMENT WHO CAN ASSIST YOU WITH ANY LOAN PROBLEMS OR QUESTIONS YOU MAY HAVE.

PLEASE CONTACT US TODAY AT
(314)621-4575 OR MFC@GMFCU.ORG

Signature Loans

Fall into fun with a personal loan from Gateway Metro. Take advantage of our special promotional offer of 3% off your qualified rate! You could receive a rate as low as 4.99%*. Apply online today at goGMFCU.org or call 314-621-4575 for information.

**WEDDINGS - VACATIONS - RENOVATIONS
ROAD TRIPS - EXTRA CASH**



*Must be eligible for membership with GMFCU. Must qualify for loan based on credit worthiness. Rate of 4.99% is lowest rate available after 3% discount has been applied. Rates and offers current as of September 1, 2020 and are subject to change. Actual APR will be determined at the time of loan approval based on your credit, loan amount and term. Not all applicants will qualify for the lowest rate. This offer is valid only for new personal loans under the amount of \$5,000. GMFCU personal loan refinances are ineligible for rate reduction. All loans are subject to a minimum monthly payment after the loan reaches 60 days.

PAWS IN THE PARK

As a sponsor for Needy Paws, we wanted to let you know that they are still hosting a virtual race for you to sign up and participate in the week of September 20th-27th!

Participating in their race is a great way to support dogs in need around the St Louis area. 100% of the proceeds goes to helping the dogs at Needy Paws with veterinary care to keep them healthy and ready for adoption. To sign up visit the Needy Paws Event page by clicking [here](#).



SHRED DAY AT ST PETERS

BRING IN YOUR SENSITIVE OR UNWANTED DOCUMENTS TO HAVE THEM SECURELY DESTROYED.

BRING IN DOG SUPPLIES FOR DONATION TO HELP NEEDY PAWS PROVIDE THE BEST CARE TO ALL THE DOGS THEY TAKE IN AND ASSIST WITH FINDING HOMES. ANYTHING YOU CAN DONATE TO THEM IS APPRECIATED! COLLARS, LEASHES, TREATS, TOYS, BLANKETS, HARNESSSES, DENTAL CHEWS, ETC.



**REFRESHMENTS - PRIZE WHEEL - \$100 AMAZON
EGIFT CARD GIVEAWAY**



WHEN: SEPTEMBER 26TH, 2020 | 9AM - 11:30AM
WHERE: 1421 JUNGERMANN RD, ST PETERS MO 63376

MOBILE PAY IS ON THE WAY

We have exciting news about our upcoming mobile payments. We will be providing you the ability to use Google Pay, Samsung Pay, and Apple Pay! This great service is coming soon! This touchless payment system is perfect for on the go members who would rather quickly use their smartphones/smartwatch to pay instead of using card or cash. It's quick, easy, and secure!



Keeping tabs on your debit cards just got easier.



Log in to Gateway Metro Federal Credit Union's Mobile Banking to download the Gateway Card Guard app.

Real-time transaction alerts and customizable card controls are now available in our mobile banking app, putting you in complete command of your debit card. Log in to Gateway Metro Federal Credit Union's Mobile Banking to get started.

Follow the easy steps to download our app. Once downloaded, you'll be able to access card alerts and controls from either the Gateway Metro Federal Credit Union's Mobile Banking app or via the Gateway Card Guard app, all with your existing username and password.



Protect Yourself

Get mobile alerts whenever your card is used



Track Card Use

Review card usage history and transaction details



Set Limits

Set customized purchase controls to help manage spending

The BalanceTrack
STAY ON TRACK
—Summer Contest—

Take part in our partner Balance's Summer Contest. Learn helpful financial information while gaining chances to win up to \$600! This is the last month to complete modules and get entered in their drawing.

September Module: Financial First Aid

Many circumstances in life can derail even the best money management plans and leave us with less money that we need to meet our monthly obligations.

Contest runs July 1st, 2020 - September 30th, 2020. For official rules, click [here](#).

What can you do if you are in this situation? This module provides you with a 5 step plan:

STEP 1

TAKE INVENTORY OF INCOME AND ASSETS

STEP 2

REVIEW EXPENSES



STEP 3

TAKE INVENTORY OF DEBT AND REVIEW FINANCIAL POSITION

STEP 4

PRIORITIZE BILLS AND COMMUNICATE WITH CREDITORS

STEP 5

REBUILD CREDIT AND START SAVING



Reward **365** Checking

Are you looking for a checking account that rewards you for using it? Well look no further! Gateway Metro has the Rewards 365 account that rewards you for using it 365 days a year!

USE THESE:

- Direct Deposit¹
- Online Banking²
- Cyberstatements³
- Visa Debit Card⁴

GET THESE:

- Cash Back (current rate 3.65%)⁵
- Debit Card Assurance Refund⁶
- Free Bill Pay
- No Monthly Fees



Visit us online at goGMFCU.org to apply for your new Rewards 365 account today!

*Membership eligibility and share account required. ¹Direct Deposit must be a payroll or benefit payment such as Social Security posting at least once every 31 days in the amount of \$200 or more. ²Must access your GMFCU online banking at least once per month. ³Must be enrolled in eStatements. ⁴Must complete 25 non-ATM transactions of \$5 or more each for the month which are counted by the calendar month when the transaction posts to your account. ⁵3.650% APY on up to \$2,500. ⁶Debit Card Assurance will be charged to your account when refunded once you have qualified for reward. Minimum balance of \$0.01 each day of the qualifying month. CU has the option to change eligibility requirements, eliminate the program, or make a rate change at any time with appropriate notice as required by law.