

# UNDER THE Arch

Gateway Metro Federal  
CREDIT UNION  
Since 1935



## Creating a Personalized Path to Financial Success

If you ask ten different people what financial freedom means to them, you will likely get ten different answers. Some people view financial freedom as that mythical land where they no longer have to work. Others seek financial freedom by starting businesses or ditching the 9-to-5 grind for the freedom of the gig economy. For others, being financially free means living below their means so they can put cash aside for a rainy day.

No matter what financial freedom means to you, the road to this destination is not easy. It is best to think of the road to financial freedom as a series of small steps instead of a sprint to the finish line. You may dream of winning the lottery and quitting your job the next day, but that is unlikely to happen. If you want to pursue financial freedom on your terms, you need to start with a realistic goal.

For example, if your dream is to leave the grind, figure out what you want your “gig” job to be, and start it— just on a small scale. Dedicate a few hours each week (or month) to get your new biz going. Before you know it, you can start adding more and more time, which in turn will lead to more and more money. If you want to supercharge your new endeavor, invest all the money you start earning directly back into that business. Spend it on supplies, marketing, training, licenses, anything you may need to get it to the point where you can comfortably leave your full-time job.

Beyond that, the number one thing workers can do to pursue financial freedom is to live below their means. It does not matter if you make \$30,000, \$300,000, or \$3 million a year; if you spend more than you make, financial freedom will always be unlikely. Of course, living beneath your means is easier said than done, and getting there is no simple task. If you need a place to start, you may want to focus on purchases that bring real joy to your life instead of merely keeping up with what the neighbors are doing.

Having a thorough monthly budget in place can also help pave the road to financial freedom—the more detailed your budget, the better. A customized monthly spending plan should also be included.

Your budget for December, for instance, will likely include lots of holiday shopping, while your April budget may have a line item for payment to the IRS. You can start with any number of free budget templates, but customizing the entries will help you make that spending plan your own. Once your budget is in place and your spending is under control, you can further the path to financial freedom by automating your savings and investments. The easiest and most effective way to do this is through your employer; if you have access to a 401(k), 403(b), or other workplace retirement plan, signing up puts you on that path to automatic savings.

If you do not have access to a workplace retirement plan, you can set up an automated saving and investment program through a discount brokerage firm or mutual fund company. Automating your investments can be as simple as transferring a set amount from your savings account to your favorite mutual fund once a month.

This automated investment strategy can help you reach financial freedom, but it also helps reinforce your “live below your means” strategy. By taking a set amount off the top, you force yourself to live on less, which can be good news for your future financial freedom.

Investing in your career is another crucial stepping stone on the road to financial freedom. Putting money aside in a mutual fund and building up your 401(k) is fine, but nothing can jump-start your finances like a string of lucrative promotions. By investing in your education and your career, you become a more valuable part of the team, and good employers will recognize and reward that dedication.

Depending on where you work, you may not have to invest much of your own money to advance your career. Many employers offer tuition reimbursement programs that help their workers build toward a better future, creating a win-win situation for workers and companies alike.

The journey to financial freedom is not an easy one and no two people will get there in the same way. By taking a combination approach, one that includes investment in your career, smart spending, and consistent (not constant) savings, you can bring the elusive goal of financial freedom into reach for yourself and your family.

# COLLEGE FUNDING CHOICES

Explore the different ways you can help finance the costs of higher education.

How can you help cover your child's future college costs? Saving early (and often) may be key for most families. Here are some college savings vehicles to consider.

**529 college savings plans.** Offered by states and some educational institutions, these plans allow you to save up to \$15,000 per year for your child's college costs without having to file an I.R.S. gift tax return. A married couple can contribute up to \$30,000 per year. However, an individual or couple's annual contribution to a 529 plan cannot exceed the yearly gift tax exclusion set by the Internal Revenue Service. You may be able to front-load a 529 plan with up to \$75,000 in initial contributions per plan beneficiary—up to five years of gifts in one year—without triggering gift taxes.

Remember, a 529 plan is a college savings plan that allows individuals to save for college on a tax-advantaged basis. State tax treatment of 529 plans is only one factor to consider prior to committing to a savings plan. Also, consider the fees and expenses associated with the particular plan. Whether a state tax deduction is available will depend on your state of residence. State tax laws and treatment may vary. State tax laws may be different than federal tax laws. Earnings on non-qualified distributions will be subject to income tax and a 10% federal penalty tax.

If your child doesn't want to go to college, you can change the beneficiary to another child in your family. You can even roll over distributions from a 529 plan into another 529 plan established for the same beneficiary (or another family member) without tax consequences.

Grandparents can also start a 529 plan or other college savings vehicle. In fact, anyone can set up a 529 plan on behalf of anyone. You can even establish one for yourself.

**Coverdell ESAs.** Single filers with modified adjusted gross incomes (MAGIs) of \$95,000 or less and joint filers with MAGIs of \$190,000 or less can pour up to \$2,000 into these accounts annually. If your income is higher than that, phaseouts apply above those MAGI levels. Money saved and invested in a Coverdell ESA can be used for college or K-12 education expenses.

Contributions to Coverdell ESAs aren't tax-deductible, but the accounts enjoy tax-deferred growth, and withdrawals are tax-free, so long as they are used for qualified education expenses. Contributions may be made until the account beneficiary turns 18. The money must be withdrawn when the beneficiary turns 30, or taxes and penalties may occur.

**UGMA & UTMA accounts.** These all-purpose savings and investment accounts are often used to save for college. They take the form of a trust. When you put money in the trust, you are making an irrevocable gift to your child. You manage the trust assets until your child reaches the age when the trust terminates (i.e., adulthood). At that point, your child can use the UGMA or UTMA funds to pay for college; however, once that age is reached, your child can also use the money to pay for anything else.

Using a trust involves a complex set of tax rules and regulations. Before moving forward with a trust, consider working with a professional who is familiar with the rules and regulations.

Imagine your child graduating from college, debt-free. With the right kind of college planning, that may happen. Talk to a financial professional today about these savings methods and others.

Would you like to discuss your financial goals or retirement planning? Reach out to Bill Anderson at 636-222-7585. Content provided by a third party not affiliated with the credit union

## 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.

## 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 June 15th, 2021

Gateway Metro rewards our members with low rates.

### VEHICLE LOANS

Approx. Payback Term	AS LOW AS Rate
up to 36 months	1.99% APR*
37 to 63 months	2.95% APR*

### OTHER LOANS

	AS LOW AS
Mortgage	Visit <a href="http://GoGMFCU.org">GoGMFCU.org</a> for current rates.
Shared Secure	2.01% APR*
Stock Secured	9.25% APR*
Signature Loans	7.99% APR*
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

July 5th: Independence Day (observed) | All branches closed

## Travel Notice

ARE YOU GOING ON VACATION?

DON'T FORGET TO LET US

KNOW WHERE AND WHEN YOU

ARE GOING SO WE CAN UPDATE

YOUR ACCOUNT WITH A TRAVEL

NOTICE. WHEN WE KNOW YOUR

TRAVEL DATES AND DESTINATION

IT IS EASIER FOR US TO HELP

YOU PROTECT YOUR ACCOUNT

AGAINST UNWANTED FRAUD OR

POSSIBLE RESTRICTION. YOU

CAN INFORM US OF YOUR TRAVEL

PLANS BY SECURE MESSAGE IN

ONLINE BANKING, BY PHONE

314-621-4575 OR IN PERSON AT

A BRANCH.

# Rewards 365

Gateway Metro has given **\$116,807** back to the members as part of the Rewards 365 checking program.

Want to know how you can get your share?  
[Click here.](#)

## THE BUTTERFLY PROJECT THANKS **YOU** FOR A SUCCESSFUL FIRST HALF OF 2021!

The Butterfly Project would like to thank everyone who has helped make the first half of 2021 a very successful year in fundraising for The Little Bit Foundation. Your support and donations have been remarkable! The Butterfly Project recently presented The Little Bit Foundation with over \$1,700 and 8 bags of new underwear/socks to help kids in need. Wow! We look forward to seeing you at future events and making the rest of 2021 a huge success!

The Little Bit Foundation's mission is to remove barriers to learning and create educational equity so that students can gain confidence, self-worth, and all other qualities that lead to success. Providing this service to the local communities who struggle with high poverty levels gives the students a better experience with learning and a higher chance of wanting to remain in school. The Little Bit Foundation also offers these students assistance with nutrition, health and wellness, and basic needs like clothing. To learn more about this organization visit:

[The Little Bit Foundation](#)

Want to learn more about The Butterfly Project and how we help the local community?  
Visit our [About Us](#) page!

## *Our Mortgage Center is Here to Help You*

Whether you are hunting for a house, refinancing your current home or looking to make some big renovations, Gateway Metro's Mortgage Center is here to help you every step of the way. We can assist you with your loans from start to finish with great rates, great terms and fantastic member service! Visit our [Mortgage Center](#) today to learn more.





# Senior Session: PROTECTING AGAINST FRAUD



Fraud is an ongoing thing that we unfortunately cannot hide from. While everyone is a target, seniors tend to be taken advantage by these fraudsters. Always try to be prepared to spot when you are a victim of fraud or scams. Check out this great article about the types of fraud that seniors (and everyone) are exposed to the most.

## BALANCE: Senior ID Theft



### FREE SUMMER WEBINARS

We're very excited to announce our free webinars for July, August, and September! For July, the focus is on safeguarding your kids online. Today's youth generation is tech-savvy and connected online. However, parents still play an important role in helping them avoid online hazards such as identity theft, privacy, and cyberbullying. This workshop covers important issues including online privacy tips, managing computer settings, smartphone apps, and positive online behavior.

#### SAFEGUARDING KIDS' IDENTITY & ONLINE PRIVACY

Session 1:  
Tuesday, July 13th  
12:30pm - 1:30pm (CST)  
[Register Here](#)

Session 2:  
Thursday, July 22nd  
7:30pm - 8:30pm (CST)  
[Register Here](#)

## TRENDS

Have you heard the good news? Trends, our money management tool, is now available on mobile! Log in to the Gateway Metro app today to start budgeting and planning your finances right from your phone. Trends allows you to have all your finances in one place!

#### You can:

- View all your accounts, even external
  - Customize goals and budgets
  - Use simple charts and graphs
  - Create personal alerts



## SAVETOWIN



Congratulations to our April 2021 winners! We love to see our members win big! We're glad so many members are enjoying the perks of opening a Save to Win Share Certificate! Are you looking for a way to win some money without that pesky risk of gambling? Visit the official STW website for details: [STW Website](#)  
Qualifying is easy!

### Congrats on your April 2021 Win!

Marie S. - \$25 Sheila N. - \$25