

NEWSLETTER

7 Steps to Make, or Update, Your Financial Game Plan

Did you know that only **30% of Americans** have a long-term financial plan (Gallup)? Despite this shockingly low number, most of us want enough money to reach our goals (owning a house and providing for children comes to mind) and lower our financial stress. With a little determination and the right resources, you can create a solid financial plan to reach your goals and minimize potential risk.



For those in that 30% that already have a financial plan, the question is: ***when was the last time you updated it?*** Is it up to date with your current income, your liabilities, your expenses? There is no better time than now (or to be honest yesterday) to reevaluate your financial plan to make sure that you plan according to your current situation.

Let's Get Started

STEP 1 – SET YOUR LINEUP

The first step is to figure out what you want out of life. Where do you see yourself in 5 years, 10 years, or 20 years? Do you own a car or house? Do you have children? Do you want to travel in your retirement? Generally, it is good to have immediate, medium-term and long-term goals. Having these kinds of goals guides your planning and can make all of this work and saving feel much more worthwhile.

STEP 2 – HUDDLE UP

Now you must track the flow of money. Include it all: insurance, debt payments, utilities, streaming services, eating out, and so on. Be accurate because this can determine more areas you can save or pay down debt faster. There are online budget trackers and tools ([like this one from MoneyEdu](#)), or other templates online ([here are a few of them](#)).

Once you review your budget, evaluate ways you could spend less money and put more towards your goals.

Here are some ways to do that:

- **Minimize debt** and more importantly, high interest debt ASAP.
- **Switch vendors** to one that offers the same or similar products/services for less. Or eliminate ones you don't really use.
- **Eat out less.** This type of spending can really add up. Especially when buying convenience foods.
- **Resist the urge** to splurge on frivolous purchases such as expensive furniture, televisions, or designer clothing.

STEP 3: GET EXTRA POINTS

Does your employer offer a retirement plan such as a 401(k) and do they match any part of your contribution? If you choose the full matching amount that is free money! Definitely worth the extra money taken out of your pay check.

STEP 4: GOT YOUR BACK UP PLAN?

According to Bankrate, only 39% of Americans have enough money to be able to afford an unexpected \$1,000 bill. If you haven't started an emergency fund yet, **START NOW.** If an unexpected expense comes up like a medical bill or car repair it is key to have money of your own to use to avoid putting it on a credit card. Start with \$500 to cover small expenses then increase your goal to \$1,000, then to one months living expenses, and so on.

STEP 5: TACKLE YOUR DEBT

After your budget review, evaluate your debt. Student loans, credit card bills, payday loans are all potentials for high interest and high fee debt. Try to minimize or eliminate your highest interest rate loan first to reduce interest payments and save money for your goals.

STEP 6: KNOW YOUR ROUTE

With the uncertainty of future social security benefits, planning and preparation are crucial. This is where long-term investments come in, even if they seem intimidating. Some options to check out are your employer-sponsored retirement plans, a traditional or Roth IRA, or a 529 college savings plan. See how important and effective investing can be [in this article](#).

STEP 7: PROTECT YOUR TEAM

As you continue to budget and stop the flow of frivolous spending, you will want to look at putting even more money into savings. Add more into your retirement accounts, increase your emergency fund to cover three to six months of expenses, and look into insurance to protect your family.

Whether you are just starting your financial plan or you are part of the 30% that already have one, remember to reevaluate and adjust this plan continually. Check back when things change or at least once a year.

A solid financial plan has the capability to help you reach your goals and help you feel secure now and in the future. More security means stress for you and your family.

Need guidance? Check out our free online resource, MoneyEdu.

With hundreds of videos, calculators, interactive exercises, personal checklists, and topics to explore, you will find exactly what you need! Plus, you can choose self-directed learning, light touch guidance to get you started, or one-to-one coaching from our financial education specialist, Alyssa Walford.



Feel free to reach out to our team to help start, adjust or finetune your financial planning!

952-445-0888 • memberservices@southmet.com

[Financial Planning](#) - MoneyEdu, [What is a Financial Plan](#), [Personal Finance Statistics](#)

SCAM ALERT Charity Scams

Make sure your money is actually going to the cause you want to support. Do your research. Use the links below to do your part to ensure the charity is legitimate.

- How to report charity scams — and why it matters [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud)
- Research charities at [ftc.gov/charity](https://www.ftc.gov/charity)
- How to avoid scams when donating to charity in times of disaster [ftc.gov/weatheremergencies](https://www.ftc.gov/weatheremergencies)
- How to donate safely using crowdfunding or social media [ftc.gov/crowdfunding](https://www.ftc.gov/crowdfunding)

[Click Here to Visit the FTC Website](https://www.ftc.gov)

Employee Highlight: See it, Say it Make a Difference Program

We strive to empower our team members to make a positive difference with our “See it, Say it, Make a Difference” program. Team members recognize their peers for their day to day acts of team work and going above and beyond their regular duties.

After each quarter, we recognize one team member who has made a positive difference in the workplace. At the end of the year, the four team members choose a charity to “give back” to in the form of a donation.

The 2021 2nd Quarter Winner is:

Zach Savoie – Senior Lending Specialist. Zach has been with SMFCU since August of 2020.



What do you enjoy most about working for SMFCU?

I enjoy being able to come to work every day with my amazing co-workers, where we collectively, are able to help make a difference in the lives of our members. I consider SMFCU my home away from home!

ICYMI: Annual Meeting

On September 28 we held our 27th Annual Meeting of the Membership. We marked 28 years of service, now serving more than 4,700 members. At the meeting, President Don Crofut reported our outstanding achievements for 2020. Check out the [press release here](#).

Upcoming Events

Santa Visit to Shakopee Branch!

December 4, 10 am-12 pm
Check our website for details.

Maple Grove Home Show

November 20, 10 am – 4 pm
Maple Grove Community Center

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