

# January Financial Wellness Toolkit

You help your members afford life – we'll help you do that. To aid with your public relations, media relations, and marketing workload, we'll provide you with personal finance content each month to use in your credit union's communication channels.

## Here's the story...

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*Our Financial Wellness Toolkit contains useful information and tips to share with your members in your longer-format communication tools, including newsletters, blogs, and/or website articles. Use this story however you'd like!*

January is a great time to create a checklist for yourself and set a plan for how you can better prepare for the year ahead. This checklist will help you create a better plan of realistic goals for the short-term and long-term.

[Consumer Reports](#) encourages you to be SMART about your finances. That means, taking specific, measurable, action-oriented, realistic, and timely action to reach your objectives. Being as *specific* as you can about what financial woes lie ahead will help you focus on your efforts and you will feel more motivated to achieve these goals. Make sure your goals are *measurable* so you can track your progress and meet your deadlines. If you are *action-oriented* about your goals, you will feel more inclined to complete those goals in a timely manner. While it may be easy to aim for the stars with your goals, ensuring that they are *realistic* is a good way to set expectations that are attainable, so you don't feel burnt out if they are not met in time. Every goal needs to have a deadline so you remain *timely* and can focus on working towards completing your goals.

While it is great to have a checklist in place, you also need to keep in mind that plans change and the world is full of uncertainty. It is important to find peace with the fact that everything may not go exactly as you want. Take a deep breath and learn how to be flexible about your goals. Don't stress yourself over what may or may not happen in the future, instead take each month as it comes and adjust as plans shift. After you have adjusted to change it will make re-evaluating and getting going again easier in the event plans change again.

The more you plan in January, the better prepared you will be for the year ahead.

### **Seven Ways to Organize Your Financial Life for 2023:**

#### **1. Save More for Retirement**

If it is feasible, consider increasing the amount you are contributing to your 401K to prepare for your future. If your company has a match program, make sure you are contributing the maximum amount, so you are not leaving any amount behind. If your company does not offer a match program or a 401K, you can set up recurring auto-deposits into a Roth IRA

## **2. Reduce Investment Fees**

The beginning of the year is a good time to review what fees you currently pay on your investment accounts. Fees, sometimes called expense ratios, can be hidden, so it's a good idea to take note of ongoing fees charged to run your account. Make a list of mutual funds in your 401K and ask your broker to explain what each fee is for.

## **3. Rebalance Your Investment Portfolio**

A good rule to follow when balancing your investments is to subtract your age from 100. Your age becomes the amount you invest in bonds, and the remaining become what you invest in stocks. Regardless of this rule, it's important to note that the market will change over time as bonds and stocks rise and fall. In order to balance your portfolio, you may need to move money from a winning investment into one that is lagging.

## **4. Shift to a Credit Union with a Higher-Interest Rate for Savings Accounts**

Move your funds to a credit union that offers a higher savings rate. Research which credit union offers the highest interest rate for your savings account so you can maximize your funds without putting in a lot of extra effort.

## **5. Stick to a Budget**

Create a budget to help you stay on track throughout the year. Start by making a list of your fixed expenses, as well as your monthly after-tax income. List all of your recurring bills, like rent and car payments, and see how much you have left over after those bills are paid. If you find yourself struggling to be able to afford your monthly expenses, consider decreasing your expenses by looking for ways to downsize or make your monthly payments smaller.

## **6. Consider Professional Financial Advice**

A financial advisor can be a beneficial resource to get you on track with your money. Research financial advisors in your area and choose someone that has your best interests in mind. A financial advisor can guide you in terms of investments, insurance, and other financial planning matters. They can also help you set financial goals and make plans to achieve those goals.

## **7. Buy Items at a Deep Discount**

January is a great time to take advantage of heavily discounted items following the holidays. Because of New Year's Resolutions, like living a healthier lifestyle, businesses will discount exercise equipment knowing that people will be more motivated at the beginning of the year to make big changes. This is also a great time to buy items like winter clothing and holiday decorations because the winter season is ending.

## For Social Media...

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*Here are a few timely messages in 280 characters or less for your credit union's social media presence.*

### **#CreditUnions**

Do you know the differences between a credit union and a bank? Find out more:

<https://yourmoneyfurther.com/>

Credit unions offer lower rates on car loans than banks! Learn more:

<https://yourmoneyfurther.com/>

CUs exist to serve their members, not make a profit for shareholders. Learn more:

<https://yourmoneyfurther.com/>

Get a jump on your finances by visiting your local credit union today. Learn more:

<https://yourmoneyfurther.com/>

### **#BeSMART #FinancialFuture**

#BeSMART in January and set a financial plan for yourself and your family with these helpful tips: [Link to release/article](#)

Ensure you are planning this January to secure a comfortable #FinancialFuture with these seven steps: [Link to release/article](#)

Don't forget to #BeSMART and set realistic goals for your family so you can have a successful 2023: [Link to release/article](#)