Managing Your Money

Ringing In The New Year With Financial Wellness

(NAPS)—If you're like many people, you make New Year's resolutions. Whether you love or hate the tradition, studies (https://www.statista.com/statistics/378105/new-years-resolution/) show that one of the most popular resolutions is healthier living—followed closely by setting financial goals.

These two resolutions are also interdependent, as 72% of people report (https://www.moneyfit.org/the-health-dangers-of-financial-stress/) experiencing money-related stress at least some of the time. That means financial wellness is proving to be more vital to overall health and happiness than ever.

It's also a fact that only a small percentage of people who make resolutions actually keep them.

Luckily, Chylon Pappas, vice president of marketing at First Tech Federal Credit Union, has tips and savings tricks to get you started on the path to improving your overall financial health in 2023 and beyond.

1. Make a Plan: Mapping out your financial goals is the first step. This will serve as a guide you can reference and fine-tune.

Investing, saving for retirement, and reviewing spending habits regularly can seem daunting, but there are a few ways to make the process less overwhelming:

- Conduct research and educate yourself to make more informed decisions
- When it comes to investing, start small
- Exhaust all available employer options, such as an employer-sponsored retirement plan, Flexible Spending Account (FSA), Health Savings Account (HSA), etc.

"Financial priorities tend to shift and change in different life stages—whether it's sending your child to school or planning your retirement. The key is setting long-term goals and not letting yourself get discouraged by short-term changes along the way," explains Pappas.

To help you get started and take the mystique (and intimidation) out of financial planning, First Tech offers a primer (https://www.firsttechfed.com/learn/life-stage/articles/financial-planning-for-newbie?utm_campaign=MKTG_1760550_2022-Public-Relations_DigitalAd_2159651&&campaignId=5051&&utm_medium=Digital&&utm_source=digitalad).

2. Become a SMART Shopper: Another tip for reducing spending is to stick to a budget.

Pappas recommends setting specific, measurable, achievable, relevant, and time-bound (SMART) goals—which leads to better budgeting and allows you to adjust it as needed.

For example, eating at home and being mindful of "entertainment" expenses, such as dining out or tickets to sporting events, can help eliminate unnecessary spending. Being a savvy shopper also makes all the difference. This means planning, writing down, and avoiding tempting impulse in-store or online purchases.

For more inspiration, you can check out

Improving your financial wellness can be less stressful and achievable with First Tech's planning resources and trusted financial advisors available to help.

First Tech's budget-friendly meal ideas for under $10 (https://www.firsttechfed.com/learn/life-stage/articles/financial-planning-for-newbie?utm_campaign=MKTG_1760550_2022-Public-Relations_DigitalAd_2159651&campaignId=5051&utm_medium=Digital&utm_source=digitalad). It's incredible how quickly grocery savings can build over time.

Whether it's spending less on groceries, entertainment, or cutting costs associated with other household needs, the key to success is holding yourself accountable to your specific goal. One way to do this is to work with a friend or family member, so they can help keep you focused and on track to turn your goals into reality.

3. Flex Your Savings Muscles: Planning and budgeting may automatically strengthen savings, but you don't have to cut off all your spending to save. There are ways you can boost savings, and still have room to "treat yourself," all while keeping a cushion for those rainy days. Pappas suggests:

- Gradually increasing your savings by 1 percent each year
- Following the 50/30/20 rule by allocating 50 percent of your monthly income towards bills and non-negotiables, and 30 percent towards savings, leaving 20 percent to fulfill wants
- Utilizing multiple savings accounts to support specific needs using the 50/30/20 rule
- Using a credit card that deposits cash back

Another option is a share certificate (https://www.firsttechfed.com/articles/bank/share-certificates-101?utm_campaign=MKTG_1760550_2022-Public-Relations_DigitalAd_2159651&campaignId=5051&utm_medium=Digital&utm_source=digitalad)—a long-term solution that enables you to steadily increase savings over time, offering a higher yield than alternative savings accounts.

Becoming a (Financially) Healthier You: Many people are reluctant to talk about money, but real change only happens when you take a close look and rethink your current habits.

Get a running start by making a plan, and you may soon be well on your way to improving your financial wellness and reaping the rewards of your efforts.

Learn More

For additional financial wellness tips and resources, visit firsttechfed.com/learn.