

Kicking Off the New Year - Podcast

Financial Wellness is just like anything else: It takes a little discipline, and some good advice. At Golden 1 Credit Union, we're here to help. As a not-for-profit, member-owned credit union, our main goal is to help people like you reach your goals. Providing financial advice and education is another way of doing just that. Whether you're trying to make a major purchase, start an investment fund, or just have some peace of mind, let Golden 1 be your financial partner and together we can be golden.

Welcome to the Golden 1 Credit Union Financial Wellness Podcast. I'm Martin...

...and I'm Rebecca.

Holiday shopping is over, travelling is done, the big shiny ball in Times Square has dropped, and there's nothing left to do except enjoy the New Year!

Whoa whoa whoa, Martin, not so fast. There's still a lot to do before we can start doing that. A new year provides us with new opportunities and some new challenges. It's our job to help our listeners attack the year with a wealth of financial wellness knowledge.

Financial wellness never rests.

No it doesn't.

And as much as we love thinking about all of the exciting things we are going to accomplish this year, I find it can be just as effective to look back at the previous year to see if there were any important financial lessons to be learned.

Smart. I like to schedule time to sit down with my husband and go over everything we spent during the year and take note of anything that we can cut back on going forward.

Do you use any tools to help you get your finances in order?

I really like an app called Mint, but there are many other free apps you can choose. Once you link it to your financial accounts, Mint and apps like it keep track of everything you spend. This comes in really handy when you're looking for ways to save money next year.

We also have specific tips and tools for reference in our Financial Wellness Center, **www.golden1.com/financial-wellness** that are free to everyone. You don't even have to be a member of Golden 1 Credit Union. We have calculators, videos, and a Learning Lab with interactive modules that can help you and your loved ones put the past financial year into perspective and start the new year on solid financial footing.

Oh, one more thing to look at: Subscription and membership fees.

Yes! I can't tell you how many times I've noticed an automatic payment come out of my account for a service I didn't even know I subscribed to anymore.

It's all those little services that don't cost much per month. They're so small that you don't think about them, but they can really add up! Take the time to go through everything you pay for and keep what you actually use.

Speaking of the things you need, the beginning of the year is a great time to look for inspiration and set a realistic financial goal for you and your family. Write out your goals and put them up in a place where you see them every day.

It's so important to be reminded about what you're working towards. I even take it a step further and print out a picture of my goal. If I'm saving for a trip to Hawaii I'll print out a picture of a beautiful Hawaiian beach, for example, and tape it to my computer monitor to have my goal always in sight.

But, as much as we love to encourage you to reward yourself, you shouldn't lose focus on other financial matters while you save. If you have unpaid debt, make sure that your debt reduction plan is on track or saving for or that reward may end up putting you even deeper in debt.

Which brings us back to our favorite "B" word, Martin.

Bacon?

Nope.

Oh, I remember. Budget.

Yes sir. By all means plan your vacations and your big purchases, but build your budget right now at the beginning of the year so you know how much extra you can save after you pay for everything you need to pay for like your debt and bills.

And the sooner the better. The sooner you put money into an account that earns dividends, the more money you'll end up with thanks to compound interest!

We sure do love compound interest. And so will you when you see it working for you!

Rebecca, I have a confession to make...

Oh boy...

Well, I've been working at Golden 1 for a while, but, I have to admit, there's still a lot that I don't know about finances. Like how

much I should be putting into a retirement account, or what my investment portfolio should look like. Is that bad?

Not at all! People often struggle with that very thing. If they didn't, there wouldn't be any need for financial advisors. Try to make an appointment to speak to your financial advisor right now. They can review everything you need to do to get a solid financial plan in place.

And, luckily for me, I'm a Golden 1 Credit Union member, so I can meet with a financial advisor for free. Just go to **www.golden1.com/planning-and-investing/investment-services** to schedule your free consultation. Or, if you aren't a member, do some research, ask a family member or friend for recommendations.

Even if you don't meet on a regular basis, even one meeting can be enough to get your finances in good shape. Right now is the perfect time to go over your finances with a professional, because, guess what?

On April 15th, you're going to be dealing with your taxes, and wouldn't it be nice to know that you've crossed all your "t"s and dotted all your "i"s?

Rebecca, it's important to note that the information provided here is not tax advice, each person's situation can vary, and tax advice should be obtained before taking action. Speaking of taxes and withholdings and retirement and what-not, did you know that you can only contribute a certain amount each year to your retirement plan?

For 2019 and 2020 the most you can contribute to an IRA is \$6,000 if you're under the age of 50, or \$7,000 if you're over 50.

Start filling up your IRA now so that at the end of the year you'll know that you've contributed the full amount, and you won't have to play catch up! Plus, your contribution may be tax-deductible!

Don't forget about your health! While HSAs, or Health Savings Accounts never expire, FSAs, or Flexible Spending Accounts do. The money you put into an FSA could disappear at the end of the year if you don't use it. Check your benefits manual to see if your employer has a rollover plan. If they do, you have a little extra time, but if they don't, you need to spend your FSA before the new year.

Great advice. That's your money, don't let it disappear! Martin, did you know that the money you donate to charity can be tax deductible?

I've heard that, yes.

If you're single and you donate more than \$12,000 in a year, or \$24,000 if you're married, you can use those donations as a deduction to reduce your overall taxable income.

I'd better start donating!

Never a bad idea!

Well, Rebecca, we doled out a lot of information in a short span today. Let's review for our listeners all the things they should be taking care of at the start of this year.

First, sit down with your family and go over everything you spent during the past year. Look for all the little things that ate into your cash supply and figure out if anything can be eliminated this year.

Maybe even find an app like Mint to show you exactly where every dollar went.

Second, find your inspiration. Set a goal for yourself and your family that you're sure you can reach. And start automatically setting money aside for it today.

Don't forget to write out your goals or even print a picture of what motivates you all year.

Next, make a budget if you haven't already. A budget will help you save while still paying your bills and any other debts you may have.

I feel like we mention a budget in every podcast, Rebecca, but we really can't emphasize enough how important it is. Once you've done all these things, take some time to meet with a financial advisor, either with Golden 1 or not, to go over anything that might be a little too much for you to do on your own, or that you may have just forgotten about.

Financial advisors can be so helpful with things like investment strategies, tax preparation, and retirement savings. I can't recommend them enough.

And lastly, see how much you can put in your medical flexible spending account and spend it before it's gone.

Happy New Year, folks! Don't forget to subscribe to our podcasts on Apple Podcasts, Google Podcasts, or Spotify to be the first to hear all the great content we've planned for next year. So, for Golden 1 Credit Union, this has been Martin...

...and Rebecca!

Wishing you financial health and happiness in the new year, and, as always, reminding you to (together) **Stay Golden!**

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