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In the Loop

How to Recession-proof Your Life

Many Americans and economists think rising inflation issues, interest rates and housing costs may be warning signs of a looming recession. Unfortunately, if a recession does occur, more than two-thirds of Americans don't feel prepared for it, according to a Magnify Money survey.

The National Bureau of Economic Research defines a recession as “a significant decline in economic activity that is spread across the economy and lasts more than a few months.” The organization officially declares when recessions begin and end.

Predictions about an official recession are divided. Regardless, you can take the following steps to prepare or stabilize your funds:

- Understand your expenses by examining and assessing your current financials. A line-item review of all expenses could help shed light on where you're spending money and ways you could save.
- Adjust your budget to plan for everyday and large purchases and stick to it. Remember to keep it realistic. For example, you should allocate money for fun or entertainment if you're planning for those activities.
- Make it a habit to live within your means. People who adopt this lifestyle are less likely to go into debt and can pivot their spending to compensate for changes.

- Build an emergency savings fund to pay for unexpected expenses, such as a medical issue or car repair. The general rule of thumb is to have at least three to six months' worth of living expenses saved up.
- Switch up your grocery spending by shopping with a meal plan, buying generic products rather than brand-name or purchasing items in bulk. Couponing or shopping for deals can also help.
- Negotiate your monthly bills (e.g., utilities, phone, cable and internet) or ask about available discounts, rebates or coupons. The COVID-19 pandemic has accelerated the adoption of companies' relief policies.
- Consolidate your loans and pay off as much of your debt as possible. Not surprisingly, credit card debt can be even more of an expensive burden as interest rates rise.
- Secure proper insurance (e.g., auto, homeowners, health and life) to help maintain financial protection amid unexpected losses.

To deal with current economic uncertainty, it's best to focus on what you can control: developing healthy financial habits for today and the future. In addition, consider discussing your situation and investment goals with a financial advisor. Speak to your employer if you need further financial resources.

Prioritizing Wellness During the 2022-23 School Year

Many may be excited for school to start after a long summer. However, the new school year can come with new and recurring challenges. The 2022-23 school landscape looks different from previous years during the COVID-19 pandemic. Mask mandates are on the retreat, with many schools ending various preventive measures, such as quarantines and regular screenings. Additionally, COVID-19 vaccines and boosters are now available to school-aged children.

Although the school year seems to be back to normal, caregivers, parents and children will likely still face uncertainty, stress and other emotions. The return to school and its associated routine can impact everyone differently; therefore, it's worth taking a proactive approach to managing wellness during this transition. Here are some healthy ways for working parents and caregivers to make the school year more manageable and balance their work and personal responsibilities:

- **Set reasonable expectations.** Establish realistic expectations about what you think you can accomplish each day or week. Don't be too hard on yourself. Cut yourself some slack and focus on completing high-impact items and responsibilities.
- **Develop a schedule.** Creating a routine that works around your work schedule and family needs is essential. Consider consolidating certain activities (e.g., housework, chores or extracurricular activities) to one or two specific days to help everyone stay focused.

- **Set boundaries.** If you feel stretched thin between being a good caregiver and an efficient employee, it may be helpful to set some boundaries and discuss options with your manager.
- **Create healthy habits.** Be sure to get plenty of sleep and eat well so you can be fully charged for the day. It's also important to stay active and incorporate movement into your daily routine.
- **Make good use of weekends.** If school and work both happen on weekdays, be sure to use the weekends to recharge, reduce stress and have fun as a family. If you prefer alone time, make that a priority. Everyone needs a break from responsibilities.
- **Ask for help.** Lean on your networks for support if you need help getting through the workdays. Be honest and communicative with your family and co-workers if the current situation isn't working well.

Although school is back in session and starting to resemble the pre-pandemic days, caregivers and parents may still feel stretched thin due to balancing caregiving and working. Fortunately, you can explore healthy ways to cope with lingering uncertainty and make balancing all your personal and professional responsibilities manageable.

If you're feeling stressed or experiencing burnout related to your kids returning to school, talk to your manager about your situation and seek out employer-offered resources. Additionally, consult your doctor or a licensed mental health professional if you're concerned about your or your child's mental health.

