

Welcome to the SeaComm Federal Credit Union podcast. Your guide to financial information and what's going on at your credit union!

Well you know, it's never too early to start and today we're going to talk about some smart financial moves you can make in your 20s.

The first smart move is budgeting. Budget every single month. You know, the most important step you can take in your 20s is to begin budgeting. Regardless of your financial situation, it's always wise to plan a budget and stick to it. But in your 20s, the sooner you start budgeting, the better off you will be financially. Your budget kind of gives you the ability to decide how you want to spend your money. Basically, it is a spending plan. It helps you keep track of your spending and it can prevent you from overspending or relying on your credit cards.

One of the tools I like to talk about when I'm talking budget is a spending log. Basically, you take a notebook and a piece of paper and write down every penny you spend. Do it for a few months and look back. Number one, you know where all of the money is going and you'll know how to plan your budget, but the other thing you'll find is that you're wasting money in some places. You can make a few simple changes and save some money.

Of course the next thing, and I talk about this a lot, is establishing an emergency savings account. So very important because financial emergencies happen and if you're ready for a financial emergency, with an emergency savings account, you'll have the money to take care of that emergency and you won't have to put it on a credit card. If you do put it on your credit card, of course, you don't pay it off right away then the interest starts adding up and then the emergency costs a lot more than it has to. So, establish an emergency savings account in your 20s.

Of course, it's a good idea to create a total solid financial plan, which should include everything from maybe planning to buy a home, saving for a down payment, and even looking at retirement even though it's far in the future. If you decide to get married and have children, you'll need to adjust the plan, but do not put off creating the plan because you don't have any of those things now. Get started. You need have specific savings and retirement goals that you're working toward, even in your 20s. Create a solid financial plan.

If you want some advice on that you can contact Mat Hastings here at SeaComm. Mat is our investment guy and he can help you set up a plan to help build your wealth. He extension here at the credit union is 555, so give him a call and set up an appointment.

The other thing you need to do is to start saving for retirement. Yes, you're in your 20s, but start saving now so you'll have a lot of time to reach your goals. The sooner you start, the sooner you'll be able to retire. So learn more about IRAs and 401Ks. Here at SeaComm, Jeff Reynolds takes care of our IRAs, his extension is 266 and for 401K information, again, it's Mat Hastings at extension 555.

If you start contributing to your 401K or your IRA when you're young, your money will have longer to grow, which means you can contribute a smaller monthly amount but still end up with just as much money, if not more, than someone who contributed a lot each month but started later in life.

One more thing in your 20s, plan to pay down any debt you have, maybe student debt and so on. And please, please use your credit cards wisely. That's right, time to start in your 20s!

That's it for this edition of the SeaComm Federal Credit Union podcast. Thanks for joining us!