

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

It's getting more and more important every day to take ownership in saving for your retirement. In the past, many workers were covered by the traditional defined benefits pension plan. You know, where you worked a certain number of years and then retired with a specific monthly payment that was determined by how long you worked and how much you made. Now only about 7% of new hires in the private sector receive this kind of benefit. Now, if a worker even has access to a plan, it is a defined contribution kind of a plan, such as a 401k where the worker has to make the contributions, which may or may not receive some sort of match from the employer. Bottom line is that this makes it very important to start saving for retirement as soon as possible. Many little things stop you from saving but a few simple changes can get you right back on track.

And speaking of track, track your spending – you may find that you are eating out every day and that can cost you big! According to the US Bureau of Labor statistics, the average American household spends almost \$3500 per year eating out. Obviously, you couldn't save all that because you still have to eat somewhere, but it is much less expensive to prepare your own meals at home and if you save the difference over the course of your work-life, you'll have a good start on a healthy retirement account.

Cut down high interest debt – If you make just the minimum payment on a \$5000 balance on the average credit card it will take you over 10 years to pay it off and besides paying back the \$5000 you'll pay over \$2600 in interest! Always pay off high interest debt as quickly as you can. Part of what you save in interest can go to retirement savings.

Plan when shopping. When you head out to the grocery store for instance... have a plan and a list and stick to it! It's very easy to come back from any type of shopping trip with a lot less in your wallet. Always do the wants versus needs analysis... do I really need this or do I just want this. In addition, it's a good idea to take your time when contemplating any major purchase. So, sleep on it... you may change your mind.

Making a few simple changes over time can potentially add thousands to your retirement savings, so why not start today.

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