

Real World Here I Come

7 things to do when you land that first job

Congratulations! You're ready to start your career. There are a few important things to do right away to set yourself up for financial success.

#1

Maximize your 401k contributions

If your employer has a retirement plan, contribute at least as much as you need to get your employer's full match. And set a goal to increase it by 1% per year. When it comes to retirement planning, time is your best friend. You'll have a huge advantage by starting to save early. The savings is automatic and comes out of your paycheck pre-tax — you won't even miss it!

And remember: time is your best friend. If you start saving \$40 every two weeks at age 25 by the time you turn 67 you'll have earned over \$360,439. But if you waited until you were 35 to begin saving \$40 every two weeks you'll only have accumulated \$154,981. That's a \$205,458 difference!*

Target Date to Complete: _____

* Assumes 8% average rate of return.

#2

Negotiate your salary

Negotiating your salary is an important step in your long-term career. Not doing it could cost you significant dollars in the long run. Do your research and be prepared with data and reasoning.

Target Date to Complete: _____

#3

Save one month's pay

Make it a goal to have at least one month's pay in a savings account. That way you have a small cushion for emergencies. You can make the saving automatic by sending a small portion directly to a savings account. Once you hit one month's pay, go to two months. Ultimately, you'll want to have 3-6 months of pay available in a savings account.

Summit's GoSave account is designed to help you do this. You can open it with as little as \$5, add to it at any time, earn a good interest rate and withdraw funds for emergencies.

Target Date to Complete: _____



#4 Create a budget

A new job comes with new expenses — lunches, morning coffee, transportation, clothing. Track your expenses carefully and see where your money is going. Be sure you know all of your obligations (rent, credit cards, student loans). If you're spending more than you planned and it's getting in the way of your savings goals, make some adjustments.

Target Date to Complete: _____

#5 Pay off credit card debt

If you have credit card debt, pay it off as soon as possible. It's one of the best long-term financial moves you can make. You can go to SummitCreditUnion.com and use our free Debt In Focus tool to give you a clear picture of where you are and how you can get out of debt. Pay off our credit card with the highest interest rate first.

Target Date to Complete: _____

#6 Get up to speed on your benefits

Understand the benefits offered by your employer. Pay attention to your costs for health, dental and life insurance. For health-related expenses, you can set aside money pre-tax in a flexible spending account for things like office visits or prescription co-pays. And if you're required to pay a sizeable portion for your services, you'll want to build that into your savings plan.

Target Date to Complete: _____

#7 Review your credit report

Now's a great time to review your credit report and get a clear picture of where you stand. It's important to know because your credit score will determine how much you'll pay when you need to borrow money and can also be a factor when renting an apartment. We'll review your report with you, talk to you about your current debts and look for ways you can bump up your score.

Target Date to Complete: _____

The good news is that it doesn't take a lot to create some real savings and develop great money habits that will help you build a bright future. And Summit is here to help you do it.

At SummitCreditUnion.com you can find:

- Budget and goal planning worksheets
- Financial calculators
- Money tips and articles

**Or call us today for an appointment
608-243-5000 | 800-236-5560**