



Master These Skills Early

to Maximize Your Finances and Live Your Best Life

Imagine graduating from college with confidence in your money management skills, a clear roadmap to build your financial future, and the tools to turn your aspirations into reality.

Does this sound too good to be true? It's not! Financial literacy isn't just something nice to have – it's essential. And it all starts with mastering a few key financial skills early on.

The choices you make about your money today can impact your life for years to come, affecting everything from your career opportunities to your stress levels and even your relationships.

But here's the good news: by learning these skills now, you can work toward a future of financial freedom and the ability to live life on your own terms.

This guide will walk you through eight fundamental financial skills that can transform your relationship with money. Whether you're just starting to manage your own finances or looking to level up your money game, these principles will serve as a solid foundation.

Ready to take control of your financial future? Let's dive in.

Budgeting

Learn to create and stick to a budget. Allocate funds for essentials like rent, food, and utilities, and set aside money for savings and entertainment. Track your income and expenses, categorize your spending, and find areas where you can cut back. Regularly review your budget and adjust accordingly so you stay on track. Use an app like Credit Karma to make this process easier.

Saving

Start saving early, even if it's just a small amount. Build an emergency fund to cover 3-6 months of expenses. Consider opening a high yield savings account and leverage automation to make it effortless. If you're currently working, explore options like 401(k)s or IRAs to take advantage of tax benefits and potential employer matching contributions.

Understanding Credit

Learn how credit scores work and why they're important. Use credit responsibly and pay your bills on time. Consider getting a student credit card to start building your credit history. But be mindful of credit card balances and student loans. If you need to pay off debt strategically, consider repayment strategies like the debt snowball or debt avalanche method.

Investing Basics

Familiarize yourself with different investment options like stocks, bonds, and mutual funds. Learn about the power of compound interest and the importance of starting to invest early. Even small amounts can grow significantly especially when time is your biggest ally. If your parents have a financial advisor, ask if you can sit in on a meeting to gain live experience.

Managing Student Loans

If you have student loans, understand your options and create a plan. Look into income-driven repayment plans and potential loan forgiveness programs. It's important to avoid defaulting on your loans as this could damage your credit score. And if you're struggling to make payments, contact your loan servicer to discuss options like deferment or forbearance.

Insurance Knowledge

Understand the basics of health, auto, and renter's insurance. Know what coverage you need and always make sure to shop for the best rates. If you're not sure, reach out to a local insurance professional.

Tax Fundamentals

Learn how to file your taxes and understand basic deductions and credits that may apply to you as a student or recent graduate. Taking advantage of available tax deductions and credits may reduce your tax liability.

Setting Financial Goals

Define short and long-term financial goals. Whether it's paying off debt, saving for a car/home, launching a business, or planning for retirement, having clear goals will help guide your financial decisions.

By mastering these skills early, you'll be equipped to build wealth over time, and live your best life without the stress of financial uncertainty.

Remember, financial literacy is a lifelong journey. Stay curious, keep learning, and seek advice from a knowledgeable professional as you navigate the road ahead.

If you have any questions about this resource, please do not hesitate to contact me.



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