



Tips for Financial Success

Houlton, ME (6/19/2019) — During this season of high school and college graduations, Katahdin Trust, a community bank serving northern Maine and the greater Bangor and Portland regions, is stressing the importance of a sound financial lifestyle. The Bank is pleased to share seven tips that anyone can benefit from in their financial planning efforts.

“Living expenses and loans can add up quickly making budgeting critical to financial health,” said Krista Putnam, Katahdin Trust’s Senior Vice President, Marketing. “Saving money and paying down debt will help position you for life-long success and peace of mind.”

The Bank recommends the following tips:

- **Set a budget and stick to it.** Supporting yourself can be expensive, and you can quickly find yourself struggling financially if you don’t take time to create a budget. Calculate the amount of money you’re taking home *after taxes* then figure out how much money you can afford to spend each month while contributing to your savings. Be sure to factor in recurring expenses such as student loans, monthly rent or mortgage, utilities, groceries, transportation and car loans.
- **Pay bills on time.** Missed payments can hurt your credit history for up to seven years and may affect your ability to get loans, the interest rates you pay and your ability to get a job or rent an apartment. Consider setting up automatic payments for regular expenses like student loans, car payments and phone bills. Take advantage of any reminders or notification features. You can also contact creditors and lenders to request a different monthly due date from the one provided by default (e.g., switching from the 1st of the month to the 15th).
- **Avoid racking up too much debt.** Understand the responsibilities and benefits of credit. Shop around for a card that best suits your needs, and spend only what you can afford to pay back. Credit is a great tool, but only if you use it responsibly.
- **Plan for retirement.** The best time to start planning for retirement is when you are young. Regardless of when you start, be sure to contribute to retirement accounts like a Roth IRA or an employer’s 401(k), especially if there is a company match. Invest enough to qualify for the company’s full match – it’s free money that adds up to a significant chunk of change over the years. Automatic retirement contributions quickly become part of your financial lifestyle without having to think about it.
- **Prepare for emergencies.** Hardships can happen in a split second. No matter how small the amount start saving for an emergency fund and do your best to set aside the equivalent of three to six months’ worth of living expenses. Make saving a part of your lifestyle with automatic payroll deductions or automatic transfers from checking to savings. Put your tax refund toward saving instead of an impulse buy.



- **Get free help.** Take advantage of your bank's free digital tools that let you check balances, pay bills, deposit checks, monitor transaction history and track your budget.

“Many financial institutions offer personalized financial checkups to help you identify and meet your goals,” explains Putnam. “Your local banker can assist you in matching the products and services that best meet your needs.”

About Katahdin Trust

Katahdin Trust, founded in 1918 and named one of the 2018 Best Places to Work in Maine, is a community bank with more than \$800 million in assets and 180 employees. The Bank offers financial services to individuals and businesses from 16 full-service branches in Northern Maine and the greater Bangor and Portland Regions with a suite of digital banking solutions. Katahdin Bankshares Corp., parent company of Katahdin Trust Company, stock is quoted on the OTC Markets quote board OTCQX under the symbol KTHN. Current stock information can be found at otcmkt.com/stock/KTHN/quote. Learn more about Katahdin Trust on its website at www.katahdintrust.com and get the latest news and information by following Katahdin Trust on Facebook, Twitter, LinkedIn, and Instagram.