



Balance debt, saving, and investing

Juggling paying off debts and saving for your goals can be stressful, especially if you're not sure where to start. This step-by-step guide can help you **decide what to tackle first**.



Investing involves risk, including the risk of loss.

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1 Make all your minimum payments

What? Always make at least the minimum payment on all debts on time

Why? Protect your credit score and avoid late fees and compounding interest charges

[Download the Manage Your Debt Activity Sheet](#)

2 Build up a cash buffer

What? Save up an initial cash buffer of \$1,000 or one month's rent, whichever is greater

Why? If occasional bumps arise, you won't risk missing regular bills

[Watch the Build an Emergency Fund video](#)



3 Capture the full employer match

What? Contribute enough to your workplace retirement plan to capture your employer's match

Why? Not taking advantage of the match leaves "free money" on the table

[Login to NetBenefits® to get your employer's full match](#)

4 Pay off any credit card debt

What? Now it's time to pay more than the monthly minimums on your highest-rate card first, then second highest, and so on

Why? Chip away at credit card balances at a manageable pace

[Learn two strategies for paying down debt](#)

5 Fully fund your emergency savings

What? Aim to save at least 3-6 months' worth of essential expenses in cash for easy access

Why? This cash is a safety net that protects you from falling back on credit during life's curveballs

[Get four things to know about building emergency savings](#)

6 Weigh investing vs. paying down debt

What? If interest on your debt is more than 6%, focus on paying it down before you invest more in retirement

Why? Find the best use for additional (unmatched) dollars

[Download the Manage Your Debt Activity Sheet](#)

7 Turn to your other savings goals

What? Start saving for other goals like a vacations, home renovations, building your investment portfolio, a new car or something else

Why? Once your debt, retirement savings and safety net are strong, you can start turning to other goals

[Identify your goals with the Understanding Your Spending Activity Sheet](#)

