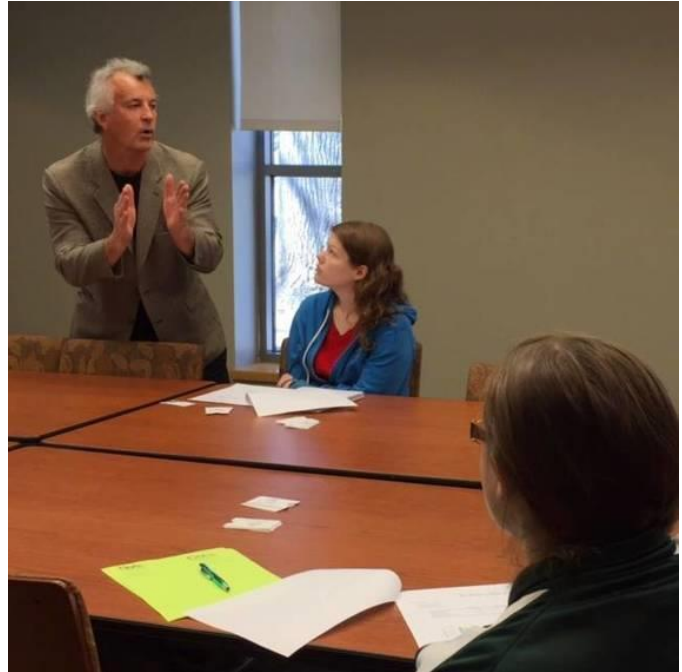


Locally Owned Bodnar Financial Gives Adulting 101 Presentation at Drew University

By Gina Randall | May 1, 2017

John Bodnar, Founder and CEO of Bodnar Financial Advisors in Florham Park, NJ, gave a presentation to a group of Drew University students on April 18 entitled “How Do I Pay Off My Student Loans?” The presentation was part of an “Adulting 101” series offered by Drew University’s Campus Recreation Department designed to teach students life skills that aren’t easily taught in the classroom.

“Drew is to be commended for offering a program like this,” said Bodnar. “In all of my many years of experience, I am not aware of a college that has put together a similar series of adulting courses. They are ahead of the curve and hopefully, it’s only the beginning.”

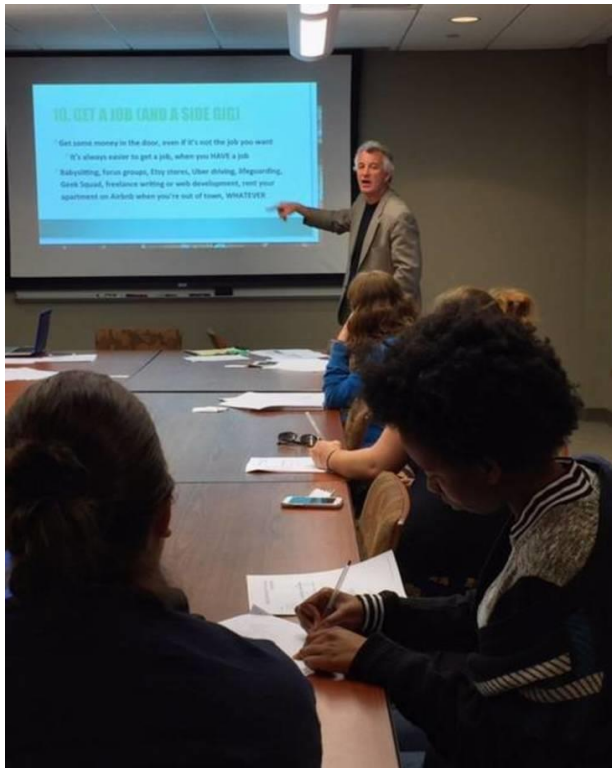


Bodnar began his presentation by stating that Americans owe \$1.4 trillion in student debt, spread out among 44 million borrowers. “The average monthly payment for young borrowers today is \$351/month, and although the standard repayment plan for federal loans takes 10 years, the average bachelor’s degree holder takes more than 21 years to pay off his or her loans,” he said.

“I know that sounds depressing, but the good news is that you are here today to learn some key strategies,” said Bodnar.

Bodnar explained the concept of compounding interest and how it works both for and against borrowers. “If you have \$10,000 earning seven percent interest annually, in subsequent years you earn interest not just on the \$10,000, but the \$700 you earned -- that’s called compounding interest,” said Bodnar. “It works the other way, too, though. If you have a high interest rate on a loan, the more your debt compounds over time.”

Bodnar advised the students to take a complete inventory of all of their student loans, noting the principal balance, interest rate, and payment due date. “Start paying off the loan with the highest interest rate first, and pay more than the minimum,” he said. “Lenders don’t offer minimums as a courtesy.”



Bodnar also provided a worksheet for students to figure out what spending cuts they can make to build towards their goals.

“The number one mistake young people make is fixating so much on paying down student debt, they neglect to build towards retirement at the same time,” said Bodnar. “This worksheet hopefully motivates students to get an early start on retirement saving, and to start taking advantage of time while it’s still on their side.”

Bodnar ended the presentation by listing several ways students can reduce their debt by taking advantage of loan forgiveness programs. For example, students with Perkins loans who become teachers can have up to 15 percent of their loan canceled after one year of teaching. In addition, Peace Corps and AmeriCorps volunteers can have their student debt reduced when they reach 1700 hours of service.

Other Adulting 101 presentations recently offered by Drew include “Learning to Cook on Your Own,” “Beginning Car Care,” and “Managing Your Stress.”

Bodnar Financial Advisors is a full-service financial planning company that specializes in the management of major life events. For more information, visit <https://bodnar.net> or call 973-966-6939.