

Start saving soon

Saving. Saving. Saving.

Now that you have a budget and a plan to pay off debt, it's time to think about saving money.

Saving is the key to achieving any financial goal. By setting a goal and putting money aside, you can be on your way to purchasing a home, preparing for retirement, buying a new car, or taking your dream vacation. Saving for your financial goals can also help you avoid debt.

How much you should save depends on what you're saving for and when you plan to make a purchase. Start by creating an emergency fund. This isn't a *fun* thing to save for, but it'll make sure you aren't drowning in debt with unexpected car repairs, home repairs, or large medical bills.

Start with a small goal. Most experts recommend building your emergency fund to be able to cover three to six months of your expenses. You don't have to do this overnight, so set a goal that's realistic for you.

Smart saving

Start by deciding what you're saving for and how long you plan to contribute to your savings. Then break down that amount by the number of months, weeks, or pay periods until the purchase date. Here are two examples:

- Goal: \$500 in an emergency fund
 - Timeline: six months (12 pay periods)
 - Math: \$500 divided by 12 paychecks
 - Amount to save: \$42 per paycheck
- Goal: \$1,500 family vacation
 - Timeline: One year (52 weeks)
 - Math: \$1,500 divided by 52 weeks
 - Amount to save: \$29 per week



Take Action

Start by making a savings plan. If you have something in mind, great! If not, make up an example.

What are you saving for? _____

How much would you like to save? \$ _____

What is your timeline? _____

To find out your monthly or biweekly savings amount, take your total amount divided by your timeline.

I will save \$ _____ every _____ (week, pay period, month).