

How to Start Your Savings Journey

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Savings is a key component to overcoming short-term setbacks and achieving financial freedom. At Ambler Savings Bank, we're a local community bank that is here to help and we encourage all our customers to invest in their future by paying down debt and creating saving habits to achieve their goals.

Most people fall in one of two categories of their savings journey. Either you need to establish emergency savings, or if you have emergency savings, you need to start saving for a life goal like retirement, education or buying a home. Whichever one describes you; it can be daunting. The hardest part is getting started, but once you do and you see the funds build, you'll thank yourself.

The need to have a nest egg for emergencies has been emphasized by the current coronavirus pandemic, where many people were unexpectedly unemployed or underemployed. According to the most recent [Federal Reserve Economic Well-Being of U.S. Households report](#), 30% of adults would not be able to pay an unexpected \$400 expense.

Here are some first steps to take to start your savings journey:



- **Create a spending plan.** Unlike a strict budget, a spending plan is a guide to help you take control of your finances by tracking where your money goes so you can prioritize your spending.
- **Open a dedicated savings account.** If you don't have a savings account, now's the time. Check out our savings account options on our website [here](#).
- **Pay yourself first and automate.** Through your employer, setup automatic payroll direct deposits to your savings account. Another option is to setup an automatic funds transfer from your checking account to your savings account on a recurring basis. At Ambler Savings Bank, this can be setup easily in a few simple steps through online banking.
- **Start small.** Determine a small amount you are comfortable with and build on that, rather than making a large goal that is likely unattainable. Setting aside just \$2.99 a day ([the average cost of a daily cup of coffee](#)) for one year can boost your emergency fund by nearly \$1,100 annually.
- **Put your tax refund and stimulus to work.** An infusion of unplanned or un-earmarked cash is a great way to maximize your savings, or pay down debt. Hold off on the shopping spree as a reward once you've achieved a savings goal.
- **Built up your savings? Start a Certificate of Deposit (CD).** Once you've built up savings, consider transferring a portion into a CD to earn higher interest.

Bonus tip: Try a spending freeze. Challenge yourself to a 30-day spending freeze and track the items you say "no" to and how much you save. Transfer all that you saved into your account.

Cut down on things you don't need or know you can get for less or free elsewhere (for example, getting your nails done, magazines, or bottled water).

Other important factors to consider when choosing where to place your savings:

- **Access.** How quickly can you retrieve funds? Ambler Savings Bank uses the latest technology to allow customers the freedom to access their money when and where they need it.
- **Safety.** Is your money protected? The FDIC insures deposits up to \$250,000 per depositor and \$250,000 for certain retirement accounts. No one has ever lost a penny of FDIC-insured funds.
- **Earnings.** How much will you earn? We offer competitively priced products and services to help you achieve savings success.

Whether you're saving for the future or need to build an emergency fund, the team here at Ambler Savings Bank is here to help you get started on your savings journey.

For more information on opening a savings account, visit our website [here](#) or call us at 215-646-8400.

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