

# PATHWAYS

GREENPATH NEWSLETTER

APRIL 2019

## Give Yourself a Financial Wellness Boost! How to Start Saving Money

Saving money is tough. In fact, as humans, we're wired to take care of our needs now, and worry about later... well, later. Putting resources away for a rainy day actually goes against our natural urge to make decisions based on what's in front of us right now. Our financial wellness team offers their tips for making saving a little bit easier.

### THREE WAYS TO SAVE MONEY

#### Pay off your debt as quickly as you can

One reason it's hard to save money is that once you've paid all your bills, there may not be very much left in your paycheck. Take a closer look at what you are paying for: Are you spending your income to pay down a credit card balance? If you are, that means you are paying back what you borrowed, plus interest. The longer you carry the balance, the more it costs in interest. You will save the most money by starting to pay as much extra as you can on your highest-interest debt first, and then once that's paid off, move on to your second-highest interest debt, and so on.

#### Automate Your Savings, Just Like a Bill

Most people spend their money first on bills, then on fun, and then on savings. Decide how much you can put into savings and set yourself up with an automated payment. You can set up automatic transfers to a savings account, or you can even set up your direct-deposit to put a portion of your paycheck into savings every payday. Begin with an amount you can afford to put into savings, and take a look at your big-picture plan to set your savings goals in the long term.

Set a reminder a few months out to re-evaluate your budget and see if your savings amount should be adjusted. This is also a good time to look at the goals that you set for yourself. Are they still important to you? Are they realistic? Are you on track? Setting milestones and realistic goals will help encourage you to continue with your efforts towards financial wellness.



#### Build Your Emergency Fund

An emergency savings fund can make a life setback a lot easier to handle. A general rule of thumb is to set aside three months' worth of living expenses in your emergency fund. This buys you some time, if something did happen, to be able to make adjustments, replace lost income by finding another job, or to find a financing or credit/borrowing option with interest rates and terms that work for you.

Remember that you don't need to set aside three months' worth at once. Start with what you can. **It's most important to get into the habit of prioritizing your savings and to begin making progress. You don't have to bite off the whole goal all at once.**

### LET'S MAKE A PLAN TOGETHER

Looking for additional ways to save money? Developing a spending plan to meet your goals is a great way to start. GreenPath's professional, caring financial coaches can work with you to create one. GreenPath also offers free debt and credit counseling. For people who need it, a Debt Management Plan can lower your interest rates and fees, and help you save money and pay off your debt faster. Call 877-337-3399 to get started!

As a member of Hampton Roads Educators Credit Union, you can take advantage of GreenPath, a financial education and counseling program. To use this service, simply call 1-877-337-3399 or visit them on the web at [www.greenpathref.com](http://www.greenpathref.com).

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