Valley First
CREDIT UNION

SAVE SMART, START SMALL: The Beginner's Guide to Building Wealth

Ready to start saving but not sure where to begin? Building wealth doesn't require a large income or complicated strategies. It starts with a plan, consistent habits, and the right tools. As a Valley First member, you have access to resources and solutions designed to help you achieve your financial goals.

Step 1: Set a goal

Whether you're saving for a dream vacation, a new home, your child's education, starting a business, or retirement, defining your goals is the first step toward achieving them.

Write down your short- and long-term goals and assign a target amount to each. Having a clear purpose for your savings can help you stay motivated and focused.
While working toward those goals, make building an emergency fund a priority. A good rule of thumb is to save three to six months' worth of living expenses to help prepare for unexpected situations.

Need help creating a plan? Download our Money Management Planner from the Financial Resource Library's Budgeting section.

Step 2: Start tracking your expenses and income

Understanding where your money goes is the foundation of a successful savings plan.

For the next few months, track all sources of income and your spending. Review the results to identify patterns and calculate your average monthly income and expenses.

Visit the Money Management section of our Financial Resource Library for resources that can help you better understand your cash flow.

Step 3: Trim your expenses

Once you've reviewed your spending, look for areas where you can cut back and redirect those dollars toward your financial goals.

One simple strategy is to evaluate expenses based on **needs versus wants**. Even small changes can create additional room in your budget and help you build momentum toward your savings goals.

Step 4: Create a budget

A budget is simply a plan for your money.

Use the income and expense information you've gathered to assign a spending amount to each category, including savings. By giving every dollar a purpose, you can stay organized and make steady progress toward your financial goals.

Step 5: Choose your savings tools
Different goals may require different savings solutions.

For long-term savings, look for an option that offers an attractive earnings rate, like our Share Certificate.

For emergency savings and shorter-term goals, accounts that provide easy access to your funds, like our Purple Checking Account or Purple Savings Account, may be a better fit.

Step 6: Make it automatic
One of the easiest ways to stay on track is to make saving automatic.

Set up recurring transfers from your checking account to your savings account through Online Banking and Mobile Banking. By automating your transfers, you can grow your balance consistently, stay focused on your financial goals, and turn saving into a simple habit that happens automatically.

Need Personalized Guidance?
If you need help creating a savings plan or reviewing your financial goals, schedule a complimentary consultation with one of our Certified Credit Union Financial Counselors by emailing financialwellness@ValleyFirstCU.org .