

A COMPLETE GUIDE TO BUILDING YOUR EMERGENCY FUND FROM START TO FINISH



When it comes to **unforeseen emergencies...**

the best defense is a household fund established specifically for emergencies and unplanned events.

Establishing an **emergency fund** is one of the first things you should do when striving for financial stability.



HOW MUCH SHOULD I SAVE?

Aim to save at least 3-6 months' worth of critical living expenses, including:



Bills



Food



Insurance



Utilities



Transportation



Minimum Payments



Child Care

WHERE SHOULD I SAVE MY EMERGENCY FUND?

Once you've decided how much you need to save,

set your emergency fund aside in its own account.

Separating your regular savings from your emergency fund will help to avoid dipping into your emergency fund for non-emergency spending. Save your contributions in an account that is not easily accessible and earns interest.



HOW DO I BUILD MY EMERGENCY FUND?

There are a few ways to go about building your emergency fund, but it's all about what works best for you. Here are some helpful tips:

1. Automatically transfer funds from each paycheck

If you never see the money, you won't have a chance to miss it. And, you'll never forget to contribute.

2. Aim to save 5-10% of each paycheck

If your budget allows, set aside a certain percentage of each paycheck to your emergency fund.

3. Cut back on unnecessary expenses

Instead of buying coffee or eating out, put that \$30- \$60 monthly expense towards your emergency fund.

4. Allocate extra money to your emergency fund

Decide to put any extra cash left over from your budget, side-hustle, or other unanticipated income directly to your emergency fund.

5. Be patient

Emergency funds can be slow building. Even if you only contribute \$10 a week, some money is always better than none.

I HIT MY GOAL... WHAT NOW?

Congratulations! You did it.

Now, to avoid dipping into your hard-earned savings, try to forget about your emergency fund.

Don't touch the money unless there is an emergency.

Check the progress of your funds every year, and consider increasing contributions to grow your emergency fund even more.



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