

# How To Save For A Boat In 8 Easy Steps

Are you ready to make waves with a new boat? That's great, but don't let your budget sink in the process! Save up for the boat of your dreams with our handy guide. We'll have you ripping across those foaming waves sooner than you ever thought possible!

## 1.) Do your research

You don't need to choose the exact make and model you'll want to purchase just yet, but it's good to have an idea of what kind of boat you'll be looking to purchase. Spend some time researching the options and calculating how much buying and owning a boat will cost. Be sure to include upfront costs and monthly payments if you'll be financing your purchase. Also remember to factor the costs of maintenance, storage, insurance, fuel, boating lessons and any add-on products you'll want to buy.



## 2.) Create a savings goal

Once you've done your homework, create a realistic savings goal that will make your boat purchase possible. Establish a timeline for your goal and divide the total by the number of months that will pass until you are ready to buy that boat. This number is the amount you will need to save each month. If the number is too high, you'll need to lengthen your timeline.

If you can only afford to put away a little bit each month, and you're looking at a savings timeline of a few years or more, consider opening up a higher yielding savings account like a share savings certificate, or an investment fund to help your money grow. Ask a member service representative to show you your options; we're always here to help!

## 3.) Review your monthly budget

Now, let's take a look at how much money you spend and earn each month. If you already have a budget in place, this step is already done. Otherwise, you'll need to track your expenditures and income for a month or two. Hold onto every receipt and bill. Then, review your spending habits carefully. Determine how much you pull in each month, and how much you spend.

## 4.) Identify your trouble areas

Take a closer look at how you've been spending your money. You usually can't do much about fixed expenses like your mortgage payment and insurance premiums, but you can examine the way you spend on fluctuating expenses like groceries, new clothing and entertainment.

What are your biggest pitfalls? Which spending category is draining your wallet dry? Once you've figured that out, you'll be better prepared to cut back.

## 5.) Trim your budget

Start with your biggest money hole and brainstorm for ways to tighten the strings. Once you've got a few good ideas in place, move on to other areas. Continue until you've trimmed enough fat to reach your monthly savings goal.

## 6.) Make it automatic

You've got your numbers worked out – now let's make it happen!

Most of us are naturally lazy and, if we have to remember to sock away some money each month, it's not going to happen. That's why the best way to ensure you stick to your plan each month is to make it automatic.

You can do this by linking your checking and savings accounts and setting up an automatic transfer in your chosen amount to go through once a month. Give us a call at 815-226-2260; we'll be more than happy to help you set this up.

Alternatively, you can use a money management app like Mint or Digit to help automate your savings. You can choose how much money you'd like to put away, grant the apps the necessary access to your accounts, and they'll do the work for you. The apps will also allow you to tweak your settings if your current setup stops working for you.

Either way, the stash of cash that will set you sailing will be growing without you thinking about it at all.

## **7.) Boost your income**

If you've worked through the steps above and you want to speed things up, you can look for ways to earn extra money to put toward your boat. Consider freelancing, consulting in your area of expertise or even taking on weekend jobs to help pad your pocket. A side hustle will help you hit the waves a whole lot sooner!

## **8.) Goal!**

Once your goal is within reach, you can start shopping for the boat of your dreams. Don't lock yourself in to your original number. If you find a boat that's a lot cheaper than you anticipated, grab it! Use the extra cash to stock up on fuel and boating gear, or put it aside to jumpstart your next big savings goal.

### **SOURCES\*:**

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