

Saving Strategies for Texans: Maximizing Your Finances with Texas Republic Bank

Bettering your financial health relies on three main pillars: earning, saving, and managing debt. Today's blog is going to focus on the saving pillar, outlining actionable things you can do to maximize your finances and improve your financial situation.

Automate Deposits

The easiest way to start saving is to automate your deposits. By automating your savings deposits, you minimize the chance of other expenses cutting into your goals. For example, you might want to save \$200 at the end of each month. If the money sits in your checking account, you might try to rationalize spending it.

When the money is automatically routed out of your checking account each month, you won't be tempted to spend it. Reach out to your payroll provider to see if they can allocate a set percentage or dollar amount of your paycheck to your savings account. If not, a team member at Texas Republic Bank can help you establish automatic transfers.

Consider Certificates of Deposit (CDs)

Most savings accounts earn small amounts of interest. Saving strategically relies on maximizing your return on investment. Certificates of Deposit, known as CDs, are a type of savings account that sets aside money for a fixed amount of time, earning higher interest. Many CDs pay around 5% in interest, which is well beyond what a traditional savings account earns." To "Currently, we have CDs paying at or over 5% APY (Annual Percentage Yield), which is well beyond what traditional savings accounts are earning.

To earn the full amount of interest, you can't access the funds for a certain timeframe, which can range from a few months to five years. This can be a great option to maximize your finances and generate more income than funds sitting in a traditional savings account.

Work With an FDIC Insured Bank



When it comes to creating a well-rounded financial picture, you need to find ways to reduce risks. There can be many different types of risks, from market risk to banking risks. As you start to build up your savings account, be sure your funds are insured by the Federal Deposit Insurance Corporation, known as FDIC.

FDIC insurance means that the government will pay back all funds up to \$250,000 in the event of a bank closure. You work hard for your savings. Be sure that you are banking with an institution that has a membership with the FDIC, like Texas Republic Bank.

Cut Costs

Another Texan savings strategy is to cut costs. By lowering your expenses, you are able to allocate more money toward your saving goals. There are many different ways you can go about cutting costs, from using coupons to eliminating unnecessary spending.

However, it's important that you evaluate your big bills as well. Can you refinance your mortgage to lower your monthly expenses? What about car loans? Finding ways to lower your big bills helps you free up money for your saving goals.

Getting Started

Which of these savings strategies can you implement to maximize your finances? Whether you are looking to open a CD or refinance your home, Texas Republic Bank has you covered. Reach out to a team member today to learn more.