

Reasons to Save

Financial Wellness

Directions: List all the uses you can think of for the following savings purposes.



Emergency Savings: unplanned short-term expenses

Note: Going out to eat because you don't want to cook is not an emergency!

Example: car break down	Example: Appliance breaks
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Emergency Income Savings: for unplanned loss of income

Note: It might take 3-6 months to find a new job.

Example: illness	Example: Business shuts down
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Goal Savings: money for future planned purchases

Note: Saving for things you really want may mean giving up some current spending.

Example: car	Example: new coat
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Long-Term Savings: money to pay for education and retirement

Note: Earning interest on your money for many years will increase your long-term savings. The earlier you start long-term savings, the more money you will have when you need it.

Example: medical insurance when elderly	Example: books for school
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The Case of the Missing Money

Financial Wellness



Directions: Marie is trying to follow a spending plan, but money seems to keep disappearing. Let’s look at what’s happening to Marie’s missing money.

Monday - Friday, Marie buys three snacks from a vending machine:

Muffin	\$2.00
Bag of chips	\$1.50
Bottle of soda	\$2.00

These three snacks add up to just a few dollars a day. Although this doesn’t seem like much, over time it grows:

Every day	\$5.50
Every five days	\$27.50
Every four weeks	\$110.00
Every year	\$1,430.00

What else could she do with this much money? _____

This means that if Marie’s job pays \$10 an hour, Marie has to work for three and a half weeks over the year just to pay for these daily snacks!

Do you have any missing money? Go to the next page to find out.

The Case of the Missing Money

Financial Wellness



Directions: Think about your daily routine. Do you get a snack from a vending machine every afternoon? Do you buy a latte every day? Do you play the lottery every week? Do you stop for gas and end up buying candy and snacks? To see where your money is going, record these items on the next page. Then you can either make changes or include this cash in your spending plan. Otherwise, it will continue to disappear “without a trace.”

Item	Cost per day	Cost per week (day total x 5)	Cost per month (week total x 4)	Cost per year (month total x 12)
Example: Latte	\$4.00	\$20.00	\$80.00	\$960.00

Smart Ways to Save

Financial Wellness



Directions: If your family has difficulty paying bills or saving money from each paycheck, you may need to look for ways to spend less. Here are some helpful strategies.

Expense	Strategies
Car expenses	<ul style="list-style-type: none"> <input type="checkbox"/> I will renew my license and registration on time to avoid late fees. <input type="checkbox"/> I will get regular oil changes and keep my tires inflated to reduce car repair expenses.
Eating out	<ul style="list-style-type: none"> <input type="checkbox"/> I will bring lunch to work instead of buying it. <input type="checkbox"/> I will avoid buying fountain drinks. <input type="checkbox"/> I will find out if local restaurants have cost-saving specials like “kids eat free” nights and will check what’s included.
Banking	<ul style="list-style-type: none"> <input type="checkbox"/> I will research if my accounts charge maintenance fees, ATM or overdraft fees, or fees to cash checks. <input type="checkbox"/> I will look into switching to lower-fee or no-fee accounts. <input type="checkbox"/> I will switch to a different credit card with no, or a lower, annual fee.
Furniture & clothes	<ul style="list-style-type: none"> <input type="checkbox"/> I will buy clothing and furniture second-hand or wait for sales.
Groceries & supplies	<ul style="list-style-type: none"> <input type="checkbox"/> I will use coupons. <input type="checkbox"/> I will join with other family or friends to buy groceries and supplies in bulk (if the cost per serving saves money).
Home energy	<ul style="list-style-type: none"> <input type="checkbox"/> I will find out if I'm eligible for energy assistance, weatherization programs, or discounted utility rates. <input type="checkbox"/> I will set my thermostat lower during the winter and higher during the summer. <input type="checkbox"/> I will unplug appliances when not using them.

Smart Ways to Save

Financial Wellness



Directions: If your family has difficulty paying bills or saving money from each paycheck, you may need to look for ways to spend less. Here are some helpful strategies.

Expense	Strategies
Insurance	<div><div><input type="checkbox"/></div>I will increase the deductible on my car insurance to lower my premium payment.</div> <div><div><input type="checkbox"/></div>I will ask about a good student discount for the young driver in my family.</div> <div><div><input type="checkbox"/></div>I will check rates at other companies and look for discounts for moving home and car insurance coverage to one company.</div>
Late fees	<div><div><input type="checkbox"/></div>I will pay bills on time to avoid penalties or late fees.</div> <div><div><input type="checkbox"/></div>I will request a new due date for some of my bills to make them better align with my income.</div>
Memberships	<div><div><input type="checkbox"/></div>I will cancel my gym membership if I don't use it regularly.</div> <div><div><input type="checkbox"/></div>I will cancel discount store memberships if I don't use them (example: Costco).</div>
Phone	<div><div><input type="checkbox"/></div>I will check to see if I qualify for federal assistance for free or reduced cost phone services, like Lifeline.</div>
TV, internet, and streaming services	<div><div><input type="checkbox"/></div>I will check with my providers about lower-cost plans.</div> <div><div><input type="checkbox"/></div>I will discontinue my streaming services if I'm not using them.</div>
Other ideas	<div><div><input type="checkbox"/></div><div></div></div> <div><div><input type="checkbox"/></div><div></div></div> <div><div><input type="checkbox"/></div><div></div></div>

Creating a Savings Plan

Financial Wellness



Directions: Creating a savings plan can make it easier to save. Review the example and follow the steps to make your savings plan.

Example:

What goal are you saving towards?	I want to save \$1,000 for an emergency fund within 10 months (about 40 weeks).
How much money do you need to achieve your goal?	\$1,000
How many weeks will it take to reach your goal?	40
How much do you need to save per week? (total amount ÷ number of weeks)	$\$1,000 \div 40 = \25 I will save \$25 per week

Your Savings Plan:

What goal are you saving towards?	
How much money do you need to achieve your goal?	
How many weeks will it take to reach your goal?	
How much do you need to save per week? (total amount ÷ number of weeks)	