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Q: Why is it important to save money?

A: Think back to a time when having an extra \$1,000 would have made a major difference in the circumstance you were facing. How would the situation played out differently if you'd have had \$1,000 to draw upon? Could you have avoided using a credit card and paying interest, taking out a payday loan, or having to borrow from family or friends? Whatever the situation, when you need to borrow money for unplanned expenses, it usually costs you in more ways than one.

The standard recommendation is to have a liquid savings account containing 3-6 months of your monthly expenses. Determine this amount by tracking what you spend. Don't forget about your periodic expenses, the expenses that occur throughout the year, but not necessarily on a monthly basis. Periodic expenses include auto/home maintenance, gift buying, traveling, propane, medical deductibles, etc.

Three to 6 months of expenses in savings can feel like a very lofty goal for most families. However – having this amount in savings will protect your household from a tailspin if faced with periods of unexpected unemployment, seasonal income shortages, medical expenses and major repairs.

Adequate savings provides you with a stable financial foundation. Just as a house is only as stable as the foundation it is built on, so are your finances.



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Ways to SAVE MONEY

1. Save your loose change.
2. Never purchase expensive items on impulse.
3. Use debit and credit cards prudently. To minimize interest charges, try to limit credit card purchases to those you can pay off in full at the end of the month.
4. Beginning on the first day of a new month, get a receipt for everything you purchase. Review receipts at the end of the month, and you will clearly be able to see where your money is going.
5. "Save" an amount equal to whatever you spend on nonessential indulgences.
6. Divide the amount you are about to spend into your hourly wage. If it's a \$50 pair of shoes and you make \$10 an hour, ask yourself, "Are those shoes really worth five long hours of work?" It helps keep things in perspective.
7. Aim for short-term savings goals. People save more successfully when they keep the short-term goal in sight.
8. Save money by buying items online, in bulk.
9. Bring your lunch to work.
10. Eat out one fewer time each month.
11. Shop for food with a list and stick to it.
12. Ask your physician to prescribe generic drugs.
13. Find the lowest-cost place to purchase prescription drugs. Check out local pharmacies, supermarkets, area discount centers, and mail-order pharmacies.
14. Purchase store brand over-the-counter medications.
15. Avoid bouncing checks or incurring overdraft fees each month.

Saving, *Back Page*

*"Keeping in Touch" is a monthly publication for employees covered by The Village Employee Assistance Program (EAP) through their employer's benefit package. If you have questions about your EAP benefit, or if you would like to access services, call **1-800-627-8220**.*

TTY ACCESS for the deaf and hard of hearing, call toll-free 1-888-510-7433

Saving, *From Front*

16. Make your monthly credit card payment on time.
17. Use only the ATMs operated by your bank or credit union.
18. Shop around for auto and homeowners' insurance.
19. Raise the deductibles on your auto and homeowner's insurance.
20. Consider dropping credit insurance coverage on installment loans.
21. Keep your automobile engine tuned and your tires inflated to their proper pressure—doing both can save you up to \$100 a year in gas.
22. Shop around for gas. Compare prices at different stations and use the lowest octane recommended by the car owner's manual.
23. When driving, avoid fast start-ups and stops. Over time, you will save hundreds of dollars on lower gas and maintenance costs.
24. Don't pay for space you don't need. Think about more efficiently using space so you can purchase or rent less square footage.
25. Live relatively near your workplace to save on transportation costs.
26. Ask your local electric or gas utility for a free or low-cost home energy audit. The audit may reveal inexpensive ways to reduce home heating and cooling costs by hundreds of dollars a year.
27. Use window coverings to block or let in sunshine, depending on the season.
28. Consider purchasing clothes from Good Will, second-hand stores, or school or church thrift sales. With a little effort, you can find low-priced, high-quality used clothing items you can wear for many years.
29. Wash and iron your own clothes. If you use a dry cleaner, compare prices at different establishments.
30. Assess your communication costs. As Internet and wireless use grows, many consumers are overpaying for unneeded communications capacity.
31. Be aware of your cell phone costs and how to reduce them. Understand peak calling periods, area coverage, roaming, and termination charges. Make sure your calling plan matches the pattern of calls you typically make.
32. Research free or inexpensive entertainment in your community. Use local newspapers and websites to learn about free or low-cost parks, museums, film showings, sports events, and other places you and your family would enjoy.
33. Give up premium cable channels or better yet, cable all together. It's a lot cheaper to rent one film a week than to watch one on premium cable channels that may cost more than \$500 a year.
34. Borrow books rather than purchasing them.
35. Attend high school, rather than college or pro, sporting events. High school events rarely cost more than \$5, with reasonably-priced hot dogs and sodas.
36. Discuss spending limits for family gift-giving. These limits not only tend to reduce expenditures; they also are greatly appreciated by the least affluent family members.
37. Socialize at pot-luck meals rather than at restaurants.



—AmericaSaves.org

Electronic Couponing and Deals

You can save money using the internet through a variety of websites and mobile apps. Here are some of our favorites.

Websites

All of the websites listed here are also available as apps.

Freebies2deals.com—created by a mom from Utah with established connections to the best freebies and deals each day. She gives great advice and also matches up store coupons with manufacturers for you. This is a great time-saver for people who want to get the deals of a crazy couponer without spending the time.

Zulily.com—deals on clothing for babies & kids

1saleaday.com—various products on sale

Woot.com—daily deals

Retailmenot.com—coupon codes and deals

eBates—Just about every online retailer is on this site. Once you have an account, you can search by product or retailer, find discount codes, and receive cash back on all your purchases. You get a free \$10 gift card to the place of your choice just for signing up!

Mobile Apps

GeoQpon—coupons you can scan at the register

Shopkick—find coupons and earn points toward gift cards

Smartphonemate—earn credit at Amazon.com just by having the app open on your phone (\$3/month) or tablet (\$5/month).

Gasbuddy—lists all gas stations in the area, along with prices. You can update the prices as well and earn entries for a free gift card.