

What Will You Save for Using the Envelope System?

Now let's take a look at what you want to save for. Take a minute to fill out the "Wants vs. Needs" worksheet on the opposite page. Once you're done, take a step back from your list and choose one, or a few, items you'd like to focus on. Make an envelope, a really special envelope, for each item you'd like to focus on. Then, every month without fail, put \$1 in that envelope. (The \$1 is of course representative. It should be an amount that doesn't hurt, that you almost don't notice. For some, it might be a \$20 bill, for others it might be a \$100 bill.)

How much you put in the envelope doesn't matter; it's the act of doing it. Treat the exercise with respect, and you will eventually see an answer.

You might be asking "how does this work? It doesn't matter how many \$1 bills I put in my envelope when I'm trying to save for a \$2,000 65" flat screen TV; I'm never going to be able to buy it at that rate." That's the exact point of the exercise.

And you're also never going to be able to buy it if you don't set money aside each month. But energetically, physically, putting \$1 in the envelope each month, you're focusing, even if for three minutes, on

your dream of Friday night movies watched on a huge screen from your cozy couch.

At some point, in 3 months, 9 months, or maybe a year, you will awaken to what really needs to happen. You need to fit whatever it is into your spending plan; you need to set the money aside, you need to not use that money when you have 'an emergency.'

The envelope system is a great way to move beyond your financial blocks in other areas, too; not just with buying 'stuff.' When someone asks me how to teach their children how to save, my first question is 'do you save?' The answer is almost always 'no.'

Often we want to teach others how to do what we need to learn. If you want to teach your children to save, but consistently saving is a challenge, then the envelope system will help you learn, and then teach them. On your very special envelope write "My Savings – To Teach Stevie How to Save."

Choose your amount, again, something you can do without fail, no matter what, even if it is just \$1. And then, with reverence, fund it every month.