

Creating a Savings Plan

First, calculate how much money you will need to save in total for each savings goal. Next, figure out what your time frame is for each goal. Then, calculate how much money you will need to save each month to achieve each of these goals.

Example:

Goal:	Buy a new or gently-used bike
Timeline:	6 months
Amount needed:	\$300
How much do I need to save each month?	\$50

Goal:	
Timeline:	
Amount needed:	
How much do I need to save each month?	

How to Save Money on a Limited Income

- The #1 tool at your disposal for saving money is sticking to a solid, working budget. Using the money saving goals you have established, you can recalculate your budget to reflect these savings.
- Make saving money feel like a reward. Turn every dollar saved toward your goal(s) into feeling good about yourself.
- Save your change every day. Keep it in a container in your home or car.
- Put small amounts at a time into savings. It's usually much easier to put aside two or three dollars (or even five) than larger sums of money.
- Once it is set aside, don't think about it, except how it applies toward your goals.
- Put any extra income you generate into savings. Now could be a great time to open a savings account if you haven't already!

Keep in mind: your chances of success go up substantially if your savings goals are reasonable to you, if they don't feel like punishment, and if they still allow you to keep some pleasures in life that are important to you.¹⁴⁹

¹⁴⁹ Original material from Peerlink National Technical Assistance Center.