



SAVING

# TOP 5 TIPS

1

## Get Motivated! *Start with Goals*

Discuss ideas for possible goals (short/long term) with your family:

- Emergency fund - auto maintenance, appliance repairs, unforeseen circumstances
- Education - college savings, higher education, graduate school
- Major purchase - new house, car, home improvements
- Paying down debt - make extra payments
- Wedding - venue, caterer, honeymoon
- Vacation - weekend getaway, major trip, family reunion
- Retirement - work with a Financial Advisor to start a plan

Rank each goal from the most important to the least important.

Decide on the top 1, 2 or 3 goals that benefit the entire family or those involved.

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## Focus on WHY Your Goal is Important

This step is important to help everyone stay focused and motivated to reach the goal.

Below are examples of common goals and reasons why they may be important to you:

### Creating an Emergency Fund

- Helps avoid creating more debt
- Be prepared for the unexpected
- Pay with cash - saves on interest

### Saving for a Family Vacation

- Spend time with the family
- Enjoy time away from home/work
- Experience new things/places

### Paying Down Debt

- Less debt = more saving
- Save money - debt typically includes interest
- Fewer monthly bills



## Different Goals = Different Amounts

If you decide to set up an emergency fund, a recommended goal is \$1,000.

Factors that can increase the amount depend on the person/situation. Examples:

- Age of home/vehicles that you own/lease
- Unstable work environment - layoffs, reduced hours
- Upcoming home/auto repairs or general maintenance
- Children education/extracurricular activities
- Existing medical or health conditions

If you decide to set up a vacation fund, a recommended goal is \$2,400.

There are many factors that can affect trip costs. Examples:

- Flying vs driving
- Meal planning - pre-paid (all inclusive) or buying/taking your own food
- Online discounts/packages for hotels, car rentals, and air fare
- Activities that are free vs pay



## Decide WHEN and HOW MUCH to Save

- Set realistic goals to ensure success.
- If your first plan doesn't work, review and adjust any time frames/amounts to help get you back on track. Remember you are in control!

Below is a breakdown of the previously mentioned goals, an emergency fund and a vacation fund; let's look at a savings plan for each.

Goal/Amount	Emergency Fund \$1,000	Vacation Fund \$2,400
Time Frame	12 months	18 months
Amount	$\$1,000/12 = \$83.34$ a month Round up to \$85 End total = \$1,020	$\$2,400/18 = \$133.34$ a month Round up to \$135 End total = \$2,430

Increase your goal: add tax refunds, bonuses, commissions or extra income



## Put Your Plan Into Action *Plan for Success!*

- Meet with a Financial Advisor and determine what types of accounts you will need to reach your goals.
- Set up automatic funding into accounts to stay on track.
- Schedule regular reviews with your family to track progress and stay motivated.
- Always look for ways to reduce spending and use extra income towards goals.
- Help yourself retire when you *want* to, not when you *need* to.
- Pay off debt and celebrate your success!

