

Saving FOR PEACE OF MIND.

For our own peace of mind in today's uncertain economic times, it is important to do what we can to prepare for life's unforeseen circumstances. Did you realize the Personal Saving Rate in 2009 is at its highest point this decade? Americans are putting more money into their savings for retirement and unexpected events like unemployment and other emergencies.



Source: U.S. Bureau of Economic Analysis

7 Easy Tips FOR GROWING YOUR SAVINGS.

During difficult economic times, it's easy to neglect your savings. Regardless of the state of the economy, paying yourself is always a must. Here are seven tips for growing your savings.

1. **Establish an emergency savings account.**

In the event of an emergency, having money set aside will prevent you from dipping into your retirement or long-term savings. A general rule of thumb is to set aside money equal to two or more months' worth of living expenses.

2. **Save money for your long-term goals.**

Saving becomes easier when you have a goal to work toward. If your employer matches a portion of your retirement contribution, you are passing up free money if you don't take advantage.

3. **Make savings automatic.**

A portion of every paycheck should go directly into your savings account. Your bank can set up an automatic transfer for you.

4. **Start small if necessary.**

Even if you can't afford to put a lot toward your savings right away, starting small will still establish a savings routine.

5. **Comparison shop for the best rates.**

Search for the best savings rates available. A high yield savings account can double your interest.

6. **Turn a payment into savings.**

If you've recently paid off a credit card or loan, add that payment amount to your monthly savings amount.

7. **Save your windfall.**

If you just received an inheritance, a tax refund or a bonus at work, you don't have to spend it just because you have it. Money set aside now will reward you later—and with interest!



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7 Easy Steps

TO CREATE A BUDGET YOU CAN LIVE WITH.

Creating a budget is crucial to keeping your financial house in order. Use the following tips to organize your finances and keep track of your money.

1. Gather all financial documents like bank statements, investment accounts, recent utility bills, etc.
2. Record your total income as a monthly amount.
3. Write a list of all the expected expenses and payments you plan to make in a month.
4. Break expenses into two categories: fixed (stays the same every month) and variable (lifestyle expenses that change from month to month).
5. Total your monthly income and monthly expenses. If your income exceeds expenses, put excess money toward other things like retirement, investments, college funds, etc.
6. If your expenses are higher than income, make adjustments to variable expenses first.
7. Review your budget on a regular basis to make sure you are staying on track. After three months, review your expenses for each month. Pick the month where you did the best staying within your budget and try to emulate that same spending for another three months.

Institute the 70-10-10-10 Program:

70% of your income to Live On

10% of your income to Save

10% of your income to Invest

10% of your income to Give Away

Examine Your Budget

The first step in getting your financial house in order is to track your spending. Once you have your budget mapped out, you can decide which expenses can be trimmed. Use this worksheet to break down your budget.

INCOME			
Take-home Pay		Disability/Other Insurance	
Child Support/Alimony		Interest/Dividends	
Pension/Social Security		Other	
		Total Income	
EXPENSES			
Rent/Mortgage		Personal Care Products	
Life Insurance		Groceries	
Health Insurance		Dining Out	
Vehicle Insurance		Medical/Dental/Prescriptions	
Homeowners or Other Insurance		Household Goods	
Car Payments		Recreation/Entertainment	
Other Loan Payments		Child Care	
Savings/Pension Contribution		Education	
Utilities		Charitable Donations	
Credit Card Payments		Miscellaneous	
Car Maintenance		Total Expenses	
Clothing		Remaining Income after Expenses	