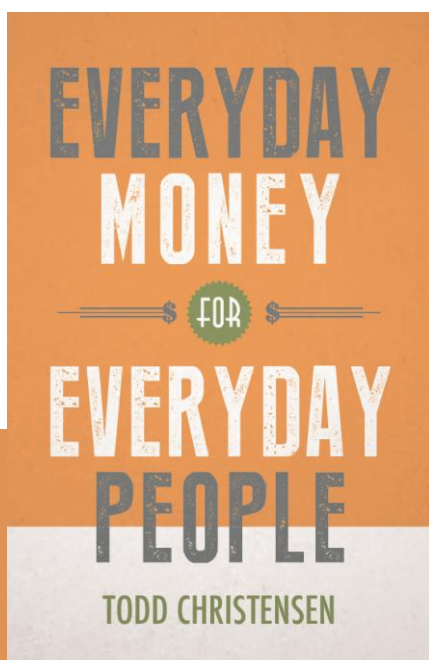


## Lesson 6: Simplified Savings Strategies

# Everyday Money

## FOR

# Everyday People



# Companion Workbook

2nd Edition

Todd Christensen  
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# Lesson 6: Simplified Savings Systems

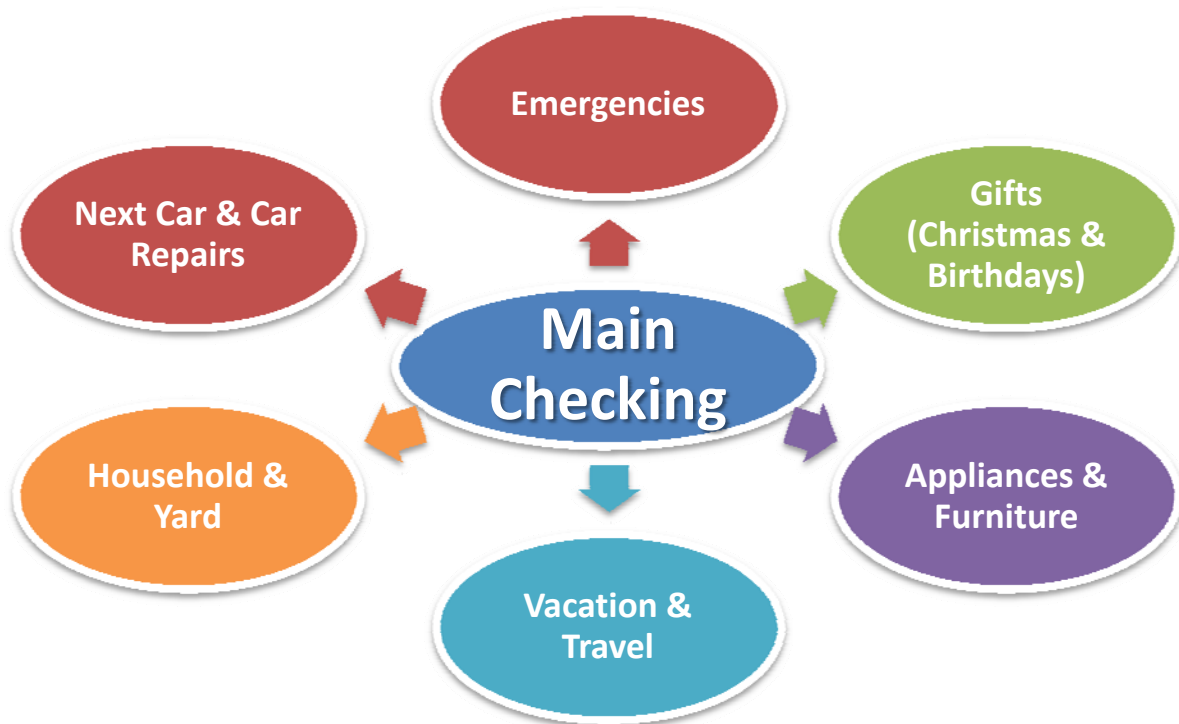
## Saving (for) Your Future

One of the biggest challenges faced in most budgets (and one of the top complaints voiced by people who don't budget) has to do with how difficult it is to deal with unexpected or periodic expenses. Seriously, since you can't possibly predict when the fridge will die, how can you possibly financially prepare for it?



Granted that it is a four letter word (in all aspects to many people), the answer is S-A-V-E. Contrary to accepted public opinion that it is impossible to prepare for the unexpected, being in the habit of saving for the unexpected does just that. The problem is that for most people, saving appears as some disembodied apparition in their future that they don't know how to communicate with or even get their minds around. They don't realize that you can effectively save for more than one future - even if it is unexpected - expense at a time.

The table on the following page will help you determine how much and by when you'll need to save for various future expenses, but the following chart illustrates how you can open multiple savings accounts (at no additional cost at most banks and credit unions) to save for several future expenses at once. The center oval, of course, represents our main checking account into which we have our regular income deposited and from which we can set up automatic transfers (represented by the arrows) to the savings accounts (surrounding ovals) that we've set up for various future purchases or expenses.



## Preparing for the Expected

Use the following table to determine how much you need to be saving each month for each of the items in your home. You can, of course, create a similar, larger chart to include more household appliances, furniture, consumer electronics, or even a vehicle. For items with no life expectancy (Christmas gifts, vacations, etc.), simply estimate

Future Expense: Appliance, Furniture...	Current Age (Yrs)	Life Expectancy (Yrs & Mos)	Estimated Replacement Cost	Months of Usage Left (Expectancy-Age)	\$\$\$ to Save each Month
				÷	=
				÷	=
				÷	=
				÷	=
				÷	=
				÷	=
				÷	=
<b>Total Projected Monthly Transfer to Savings:</b>					

## Personal Savings Manifesto

By signing this manifesto, I acknowledge and accept the following:

1. I understand that a habit of saving something (even \$1 or \$5 a month) is the surest path to my financial success;
2. I accept that playing the lottery, waiting to save until I'm earning more money (unless I'm currently unemployed), and chasing promises of a fortune for "just a small investment" and other get-rich-quick-schemes virtually guarantees that I'll end up with less money and more debt than if I develop a habit of savings.
3. I agree to begin transferring the following amount of money automatically into my savings account(s) by the indicated date:

\$ \_\_\_\_\_ Transfer Date: \_\_\_\_\_

Signed: \_\_\_\_\_ Date Signed: \_\_\_\_\_

▶ *Unwritten Goals Remain Unfulfilled Wishes* ◀

▶ *Saving Is a Commitment, Not an Amount!* ◀

▶ *Financial Success Happens at the BEGINNING of the Month!* ◀

What will you take away from your time with the *Everyday Money for Everyday People* program?

- ▲ Ideas for escaping the paycheck-to-paycheck treadmill
- ▲ Tricks for finally saving money without the risk of breaking the family piggy bank
- ▲ Tips for paying off debt and building financial stability

Whatever you take away from this program, you'll find it to be practical, down-to-earth and financially helpful in the ways you need it to be.

This workbook accompanies our book, *Everyday Money for Everyday People* (available on Amazon and Kindle), *Our Everyday Money* blog ([www.debtreductionservices.org/education/everyday-money-for-everyday-people](http://www.debtreductionservices.org/education/everyday-money-for-everyday-people)) and our *Everyday Money for Everyday People* presentations and slideshows.

To schedule Todd as a meeting or conference speaker or for more help, materials, and publications from Debt Reduction Services Inc and Todd Christensen, see [www.debtreductionservices.org/education/host-a-class](http://www.debtreductionservices.org/education/host-a-class) or contact us at [Education@DebtReductionServices.org](mailto:Education@DebtReductionServices.org) or (877) 688-3328.

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