



Making Dollars & Sense of Your FINANCES\$

March 2009
Volume 1, Issue 1

Ideas and Tips for Practical Strategies in Savings

Local Adults Voice Their Cash-Saving Strategies

In the midst of a troubling economic state, young adults across southwest Iowa are finding ways to reduce debt and increase wealth.

Victoria, a 29-year-old from SW Iowa, uses a combination of savings strategies. "I put all my change in a jar and convert the cash to savings. I was able to go on a vacation this fall and purchase my airline ticket with the money from my change jar," notes Victoria. She also rounds up when recording checks in her account register. It has allowed her to build a comfortable emergency fund in her checking account.

Automatic deposit of paychecks into savings accounts also works for young adults. Clint, 27, deducts \$20 per paycheck for savings. With 26 pay periods, he easily amasses \$520 yearly. It has allowed his family to deal with unexpected expenses and to purchase Christmas gifts without running up credit card debt.

The same strategy works for Ashley who puts \$100 a month into savings, along with collected money from a change jar. The 24-year-old also clips coupons. She has banked \$1,520 in her savings in a single year.

4 Ways to Kick Pricey Habits and Save

Today, \$5 doesn't appear to stretch very far. But imagine cutting down on unnecessary spending and saving \$5 every week for a year? This weekly savings results in \$260 at the end of the year. Like the sounds of a little extra cash in your pocket? Here are four simple ways to kick your pricey habit(s) and save some green.

- Like Latte? Try substituting coffee or splurging only twice per month on your favorite drink.
- Consider cheaper entertainment. Many theaters offer discounts on certain days or times, so do your homework!
- Use coupons to dine out. Some restaurants offer "buy one, get one free" coupons.
- Host a game night. Invite over a few close friends to play video, board, or card games. It's free – and fun!

What Does \$5 Buy?

It doesn't go far but saving \$5 does add up quickly.

Coke (20 oz.)	3
Coffee Lattes	1 ½
King-Size Candy Bar	3
Cigarettes (pack)	1 ½
Movie ticket	1

Two FREE Resources Help You Save

Set a savings goal as part of the National America Saves program. Enroll at <http://www.americasaves.org> Information about setting and reaching financial goals (including buying a car, purchasing a home, or getting out of debt) and more is also available at the web site.

Learn how to build wealth and share ideas that work through "Making Dollars and Sense of Your Finances" electronic newsletter. To subscribe, e-mail powella@iastate.edu Encourage your friends to sign up, too.

Share Your "Spotlight Savers" Stories

Do you have a savings strategy you would like to share in our "Spotlight Savers" section? Please include your first name, age, what you did, how much you were able to save, and what you did with your savings. Simply e-mail your story to powella@iastate.edu

Create Financial Security: Plan for the Unexpected

Picture this... your car breaks down, your job gets outsourced, your workplace closes its doors, or a major illness prevents you or your spouse from working for months. What will you do?

Begin building your savings account today. Yes, you may be only getting one percent on your savings account, but it is important to have money readily when an unexpected event occurs in your life.

IOWA STATE UNIVERSITY
University Extension