

## Blog #2 — INTENTIONALLY SAVING WITH PURPOSE

**Savings Account:** A savings account is exactly what the name implies, that is to save money; it is also the purpose of the account. This is the main account to place your intended savings goals into. The idea is to allow the funds to build up as your personal savings, not only for a rainy day, but for your financial future.

So, if I may ask; how comfortable are you right now at this age and stage of life with what you've done with your earnings? Have you ever worked the entire year and noticed you have saved very little if any at all? If your answer is yes – well then, that is why we budget to manage our money for the future and extreme needs.

Some say I don't have money to save! Well, this would be the time to re-evaluate your income and expenses and see what plan we can come up with to make *saving happen*.

Below is a sample of what 'intentionally saving' can look like if you saved 10 or 20% of your income in a year, and an increase of the same amount for five years.

| INCOME      | 10%        | 5 YEARS     | 20%         | 5 YEARS     |
|-------------|------------|-------------|-------------|-------------|
| \$40,000.00 | \$4,000.00 | \$20,000.00 | \$8,000.00  | \$40,000.00 |
| \$60,000.00 | \$6,000.00 | \$30,000.00 | \$12,000.00 | \$60,000.00 |
| \$80,000.00 | \$8,000.00 | \$40,000.00 | \$16,000.00 | \$80,000.00 |

These are suggested - minimal amounts to save. This doesn't take into consideration additional income for a 2-income household. Wow! More opportunity to save MORE! Think about saving birthday money and Christmas bonus. Instead of a percentage of your income, you can set a specific year end goal. Saving a specific amount might cause you to sacrifice throughout the month to be sure you can reach your intended goal.

Hopefully you are paying into the retirement system where you are employed. Take into consideration your retirement funds, social security and savings as you plan your financial future.

You can accomplish your personal savings goal by purposely placing savings as a line item on your budget sheet. While your debts decrease, your savings will increase. With my savings worksheet, you will be able to track your savings goals monthly to ensure you are on target for the end-of-the-year goal. It reveals what saving your own money can look like. You pay your bills, why not pay into your financial future, to *Finance Your Life?*

**Use the next page to enter your own figures!**

*\*PLUG IN YOUR OWN NUMBERS*

\* \$                      x 10% = \$                      / \$                      x 20% = \$

\* \$ \_\_\_\_\_ x 5 years = \$ \_\_\_\_\_ / \$ \_\_\_\_\_ x 5 years = \$ \_\_\_\_\_

## Save a specific amount for a year end goal

2 pay periods per month: 225.00

## 2 pay periods per month: \$

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