



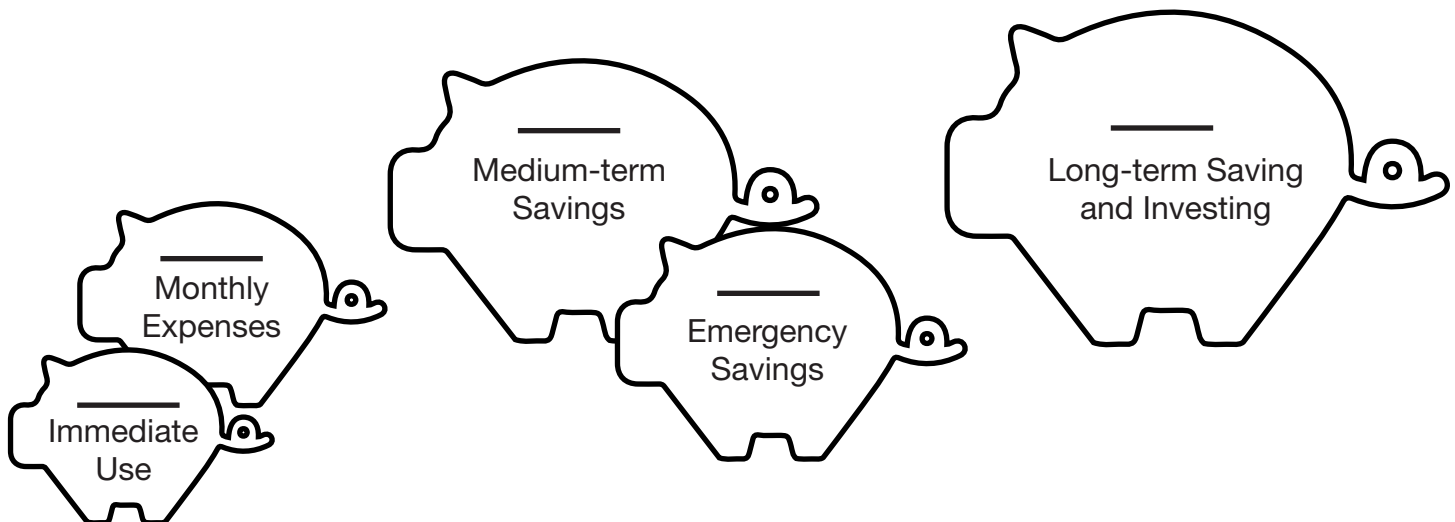
Set Goals for Savings

1. It is helpful to think about savings in terms of when the money will be used. Some funds are needed for immediate use, some need to be saved to pay for monthly expenses and some should be saved for the future.

The future is often divided into the Medium Term and Long Term.

Medium-term savings would be used to pay for things like appliances and vacations. One component of medium-term savings is emergency savings — the funds you'd use to pay for unexpected car repairs or if you lose your job.

Long-term savings and investments are for retirement and/or your children's higher education.



Next to each piggy, write down how much you have saved for that time frame. If you haven't thought about saving for each of these time frames, then you'll work on that in the next step.

2. Just about everyone would like to boost their savings. Take this opportunity to write SMART goals to help you achieve the savings you need.

What are SMART goals? They are:

- **Specific:** I will go to the bank on Tuesday to open a savings account that I will only use for emergencies.
- **Measurable:** I will pay an additional \$25 with each minimum payment on my credit card bill for the next 6 months, to pay it off sooner.
- **Achievable:** I will pack my lunch one day this week instead of eating out and will transfer that money into my savings account.
- **Realistic:** I will sit down once a month to review my savings behavior.
- **Time-Bound and Trackable:** We will save \$2,000 for a vacation by saving \$200 a month for the next 10 months.

Start by writing at least one SMART goal for each of the categories in the piggies.

Immediate Use SMART goal

(e.g., I usually spend \$25 a week eating lunch out. This week I'll limit myself to \$10 and will put the remaining \$15 into savings?)

Goal 1:

Goal 2:

Monthly Expenses SMART Goal

(e.g., On Saturday afternoon I will review all of my monthly expenses and make a list of ones that I will try to reduce or eliminate.)

Goal 1:

Goal 2:

Medium-Term and Emergency Savings SMART goal

(e.g., I will put \$100 a month into my emergency savings account for 3 years.)

Goal 1:

Goal 2:

Long-Term Saving and Investing

(e.g., I will increase my retirement contributions by 1% this year and each year for 5 years.)

Goal 1:

Goal 2:

