

## EMPLOYEE FINANCIAL EDUCATION

# Mastering the Art of Savings Buckets

Strengthen your financial habits with this effective and organized approach to savings.



The concept of "savings buckets" involves dividing your money into separate accounts or buckets, each earmarked for specific purposes. By using this strategy, you can gain a clearer understanding of your financial situation and develop a more organized approach to saving and spending.

### IDENTIFY YOUR GOALS

Start by listing your short-term and long-term financial goals.

- Emergency fund
- Paying down debt
- Vacation
- Home down payment
- Retirement

### CATEGORIZE EXPENSES

Next, group your expenses into different categories.

- Needs
- Wants
- Short-term savings
- Long-term savings

### ASSIGN BUCKETS

Create a separate bucket, or account, for each goal or category.

**PRO TIP:**

Infuse excitement into your savings journey by renaming accounts to reflect your goals, such as "Family Beach Vacation" or "Shiny Red Sports Car"

## PUTTING MONEY INTO BUCKETS

Determine how much money you want to allocate to each bucket based on your goals and priorities. A popular guideline for savings buckets is the 50/30/20 rule.

### Needs (50%)

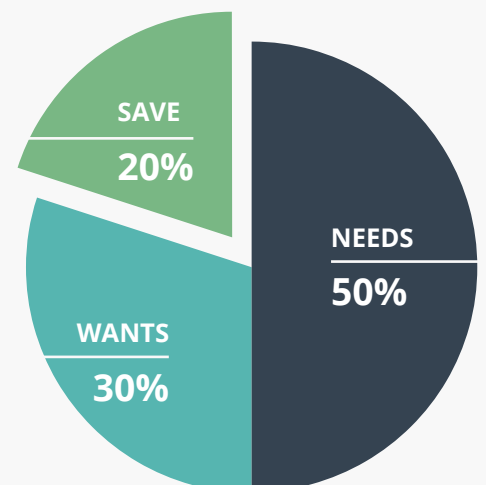
Allocate half of your income to cover necessities such as housing, groceries, childcare, transportation, and bills.

### Wants (30%)

Use 30% of your income for non-essential items like dining out, entertainment, and hobbies.

### Savings (20%)

Direct 20% towards savings, dividing it between short-term goals like emergencies or vacations, and long-term savings for retirement.



## FINDING EXTRA MONEY FOR SAVINGS

You might be surprised at how much money you can find right within your home and daily habits.



### Use Unused Items

Before heading to the store, check what you already have in your pantry, freezer, etc. This also applies to household items under your bathroom sink, such as soaps, lotions, and other personal care products.



### Plan Your Meals

Meal planning doesn't have to be boring, you can even include days to eat out. This helps you buy only the groceries you need, reduces food waste, and helps avoid expensive, last-minute food deliveries.



### Choose Generic Items

From food and cleaning supplies to personal care items, choosing generic items can lead to significant savings without compromising on quality.



### Cut Back on Fees

Check your bank statements for unnecessary fees or subscriptions you're not using. Cancel or consolidate them and save that money instead.

STREAMING

DIGITAL STORAGE

APPS

AUTO-SHIPS

CREDIT CARDS

GAMING

## TAKING ACTION

Now that you understand the concept of savings buckets, it's time to take action. Remember, the key to financial success lies in balancing short-term needs with long-term security. Every dollar saved today is one step towards a secure and comfortable future. Take control of your finances and set yourself up for savings success.

- **Write out your goals**
- **Review your household budget**
- **Identify where you can trim expenses**
- **Set realistic savings goals**
- **Review and adjust your budget**
- **Celebrate achieving goals**
- **Contact us if you have questions**

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