

The Importance of

FORMING A

SAVINGS HABIT

Pay YOURSELF first!

Paying yourself first. What does it mean? Basically, if you can find a way to put some money in the bank or credit union every time you get some in your hand, you'll be able to afford bigger, cooler things than you ever could before. It's easy to say "I'll start saving when I get my next paycheck," or "Once I get a job, I'll be able to save." But why wait? It can and should be as easy as emptying out your pockets at the end of the day.

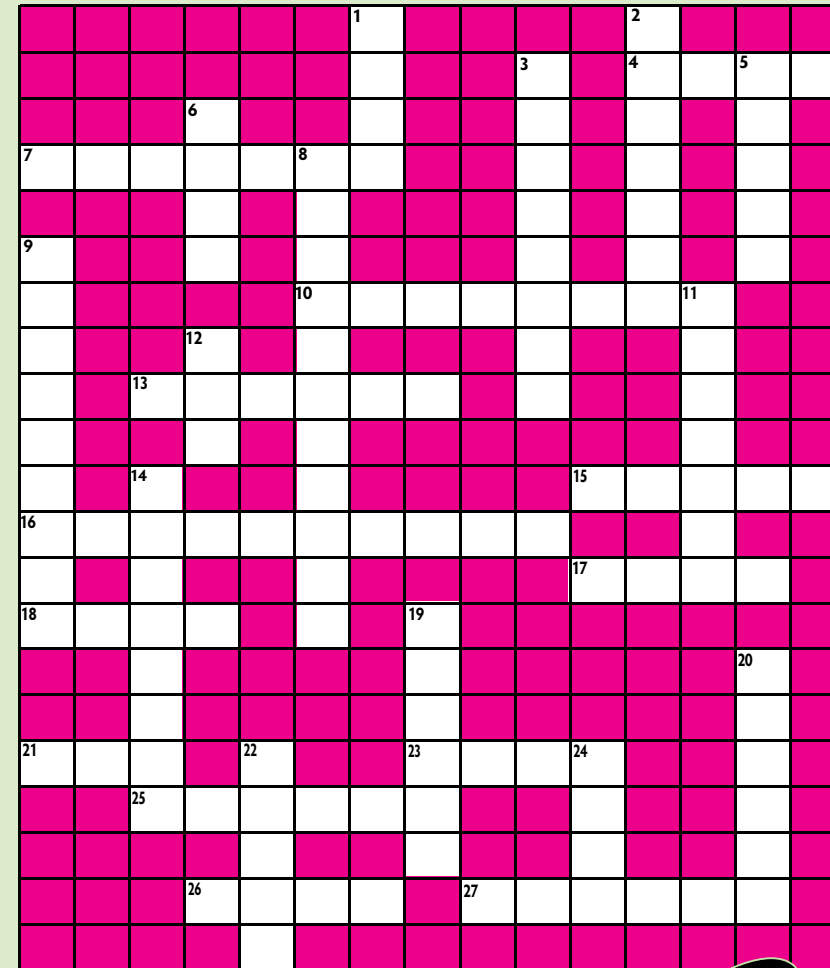
Paying Yourself First means taking part of the money you already have and putting it aside. It doesn't mean you have to buy a savings bond every time you get your allowance, but collect it in little bits – If you get 10 dollars, save 2 of it. If you find 5 dollars in your pocket, save a buck. Place it in a jar or pitcher and leave it in your bedroom. Then take all the money you've collected to the bank or credit union once a week and toss it into a savings account. You'll be surprised how quickly it adds up.

Another way to pay yourself first is to watch how you spend. There are lots of ways to save money merely by spending it wisely. Buy things on sale or in the off season. Get books, CDs, and DVDs from the library instead of buying them from the store.

Most people aren't even aware of how much they spend each day. Try this – Carry a notebook and pen around with you wherever you go and for one week, write down everything you buy. Include all the little things too, like gum, bus fare, or fries after the game. At the end of the week, total it up and see where you stand.

Look how fast money adds up when you pay yourself first!

How I earned the money	How much I earned	I Paid myself 10% first	How much I've saved up so far
1) washed dad's car	\$ 10.00	x.10 = \$ 1.00	\$ 1.00
2) mowed neighbor's lawn	\$ 12.00	x.10 = \$ 1.20	+ \$ 2.20
3) worked at Happy Burger	\$ 136.00	x.10 = _____	+ _____
4) walked Grandma's dogs	\$ 6.00	x.10 = _____	+ _____
5) taught piano lessons	\$ 18.00	x.10 = _____	+ _____
6) washed windows	\$ 20.00	x.10 = _____	+ _____
7) worked booth at fair	\$ 72.00	x.10 = _____	+ _____
8) paper route	\$ 112.00	x.10 = _____	+ _____



ACROSS

- 4) Money that is easiest to spend
- 7) The total in an account after expenses
- 10) You pay back a loan by making scheduled _____
- 13) A way to invest in many companies at once is called a _____ fund
- 15) Stocks and _____
- 16) To list things in order of importance
- 17) The chance that you could lose money
- 18) To borrow money you take out a _____
- 21) If you carry debt, you _____ money
- 23) To make money
- 25) Shares of a company that one buys
- 26) If you owe money, you carry a _____
- 27) A plan for earning, spending and saving

DOWN

- 1) A percentage added to a loan payment is called the interest _____
- 2) A checking or savings _____
- 3) The fee charged if you borrow money is called _____
- 5) The opposite of save
- 6) A place to keep or borrow money
- 8) Interest that keeps building upon itself
- 9) The original sum of money borrowed or loaned before interest has been applied
- 11) A safe place to store money is in a _____ account
- 12) The opposite of sell
- 14) It is wise to be in control of your _____
- 19) When you _____, you buy shares of a company
- 20) If you have good _____, you are allowed to borrow money
- 22) Cash, coin, currency, checks, etc.
- 24) More than just a "want"

