



“I Can’t Find Money to Save”

For most people, that statement is a myth. Or, it means “I really haven’t tried.” Apologies to those few people who are truly strapped and can’t find a few bucks to put away toward their future. But, for the rest of us, read on and see if you agree that there are more than a few ways to start or pad your nest egg.

- **Start with an Audit:** It’s common for people to report having nothing left at the end of the month. Yet, when they tally up all the expenses they can think of (mortgage, utilities, entertainment, food, etc.) it appears they *ought* to have a hefty sum left over. Take 30 minutes every two weeks for a couple of months, and look at all your spending (collect receipts). You’ll likely find that much of your spending is going toward “discretionary” items and impulse purchases, which represent potential savings.
- **The Food Trap:** According to the Bureau of Labor Statistics, the ordinary household spends over \$3,000 annually eating out (43% of their food costs). The average person buys lunch twice a week, at \$11.14 per meal. Think what you could save if you had friends over to your house for a pot-luck dinner (no 400% mark-up on a bottle of wine or \$12 cocktails), or if you brought your lunch to work.
- **In the Home:** If you still pay for a land line, do you even need it? Turn your thermostat up/down seasonally when you’re not home, turn your water heater down to 120 degrees, and use power strips that you can turn off when not needed. These simple measures can save a few hundred dollars annually (energy.gov).
- **Get a Better Deal:** Been a good credit card customer for a year or more? Call them and ask for a lower interest rate. Ask your agent to shop your homeowners/auto insurance. Check for a better phone and/or cable contract. You can save up to \$1,000 just by getting these better deals.
- **Revisiting Food:** Do you drink bottled water? Depending on the brand, it’s 2,000 to 3,000 times more expensive (500 ml bottles) than tap water. A 2-a-day habit can cost \$750+ per year. Look at your pantry . . . try eating out of it for a week. Take 15 minutes to plan your dinner menus a couple of weeks in advance and let that direct your shopping list (don’t stray). Try not to shop for food more than once a week, don’t shop when you’re hungry, use coupons and buy store brands if available. Doing all of this, even in moderation, could easily save \$1,000 or more per year.

- **A Few Random Ideas:** De-clutter and make a few bucks by selling your old stuff for cash at a yard sale, and then invest the proceeds. Save your tax refund rather than spending it. Buy good quality clothing at a consignment shop . . . it'll last longer, and you'll spend less. Try paying with cash more often, as people who pay with cash tend to spend much less than those who use credit cards.
- **Know Thyself:** Buying stuff satisfies something psychological, and can make us feel pretty happy and excited (my Amazon package is here!). But, invariably that happiness is fleeting. Try to avoid impulse buying to feed that temporary high. Before you buy, wait 48 hours, and then see if it still makes sense.
- **Compelling Math:** Cutting your restaurant bill in half (bring lunch; have a pot-luck with friends) could result in a tidy \$126,000 after 30 years (invest \$125/month for 30 years, growing 6%* annually). Save another \$25/month on utilities, another \$10/month on your cell phone contract, add savings from using filtered tap water, and another \$25/month from smart grocery shopping . . . and you've got \$205,000 after 30 years . . . over \$400,000 in 40 years (for you Millennials). And that's just some of the easy stuff you can do.
- **Be Systematic:** If you do all these great things to cut spending, and at the end of the month look at your checkbook and decide to spend the extra savings, that's simply counterproductive. Set up a monthly bank draft into an investment account. This way it's out of your hands, it's automatic, it gives you the possibility of good growth, and you can always add more.

Almost anyone can save more money without totally depriving themselves. There are hundreds of creative things to do. You just need to be willing to do them.

We're happy to assist. If this doesn't apply to you, it might to one of your children. We love helping people get on track.

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