

## PAINLESS! WAYS TO SAVE

### Reacquaint yourself with the local library.

Today, libraries have movies and computer terminals as well as books.

### Invest in a thermos for your morning beverage.

Stopping at your favorite coffee shop every morning and shelling out an average \$1.50 will add up to about \$375 per year.

### Develop good utility habits.

You can cut utility bills through a conscious effort to turn off lights, lower the thermostat a degree or two and turn off the television when you are not watching it. Those extra dollars add up when coupled with other "minor" expenses.



## A Baby Boomer Learns To Budget

Twelve years ago, Glen Shane owed \$12,000 in credit card debt and was living from paycheck to paycheck. "I was constantly juggling bills, and my bank account was often overdrawn," he recalls. "Things were out of hand."

**Solution:** Shane learned to budget. A visit to the bookstore turned up a copy of *The Budget Kit*, a book by budget guru Judy Lawrence. Shane, a social worker in New York City, used charts in that book to track his day-to-day spending.

He then devised a monthly payment plan to get rid of his credit card balances, while trimming expenses in a number of areas. For example, he began walking to work to save \$700 a year in bus fares (in New York the fare is \$1.50 per ride). And he saved another \$1,400 annually by bringing his own lunch to work and reducing his clothing purchases.

The money Shane saves allows him to set aside 15% of his salary in his employer's retirement savings plan, fully fund an IRA, and invest still more money elsewhere. "The savings bug really bit me when I saw how money can grow through compounding," he says. "Then it became kind of a game to see how much I could set aside."

Today, Shane saves \$1,824 a month — versus nothing before he began to budget. Meanwhile, he doesn't fret if he misses his spending targets in a particular area. "One month I might spend a bit more than I planned in a category," he says. "But I'm just as likely to spend less. I've been doing this for so long that I know where I can be flexible."

A 17-time finisher of the New York City Marathon, Shane notes that budgets, unlike marathons, don't require suffering. "I don't deprive myself of anything," he emphasizes. "If I want to go out to an expensive dinner or buy new running shoes, I'll do it."

He adds, however, that budgets and long distance running do have some similarities. "The most important thing is to take it one step at a time," he notes. "If you persevere, the reward is there."