

America Saves & Military Saves

Importance of saving driven home this week

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It's America Saves Week and citizens throughout the country are reminded of the importance of building wealth instead of debt and responsible financial planning.

The campaign started in 2007 and is coordinated through America Saves and the America Savings Educations Council to provide an annual opportunity for organizations to promote good saving habits.

About 2,000 organizations participate in the campaign each year, including several in Alabama.

Dothan's Friend Bank is among those listed participants. Personal banker Nicholas Wingard said the bank not only recognizes the importance of saving smart during America Saves Week, but participates in education initiatives throughout the year.

On Monday, representatives from the bank will be at Dothan High School as part of the Teach Children to Save program, sponsored by the American Bankers Association.

"We give a broad overview of what it means to save and what it means to budget," Wingard said.

The bank has been participating in the program for some time, but has geared up its participation within the past two years. Wingard said it's been very well received among the city's schools because it starts teaching the importance of saving at an early age.

According to the campaign, most Americans are not saving adequately for their retirement and most lower-income households don't have emergency savings on hand for unexpected expenditures.

Things seem to be improving, however. A recent survey indicates that Americans who report saving at least 5 percent of their income has risen from 47 percent to 52 percent this year.

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Nicholas Wingard,
of Dothan's Friend Bank
and the Teach Children to Save program

The amount of people claiming to spend less than their income and save the difference increased from 68 percent to 71 percent.

In all, 66 percent of those surveyed claim to have sufficient emergency savings, which is an increase from 65 percent in 2014.

But Americans would still like to save more. About two-fifths of the survey respondents indicated "good" or "excellent" progress in meeting their savings needs.

Only half of respondents indicated they were saving enough for retirement with a "desirable standard of living" and save at least 10 percent of their income.

People who have a specific savings plan in place are able to save more successfully.

The first step someone can take towards increased financial security is setting a goal.

That goal might be saving for a house, a car, a vacation or retirement. The next step is creating a savings plan to meet that goal.

One of the easiest ways to save is to have the money automatically withdrawn from a paycheck and put into a savings account or 401k.

America Saves Week is in conjunction with Military Saves Week, the military's version of the campaign.

Participating military personnel, organizations and financial institutions are encouraging military members to make a pledge to save and build wealth for a more financially stable future.