

## **17 sneaky -- and fairly painless -- ways to build a nest egg**

By [Dana Dratch](#) • Bankrate.com

If your idea of creating an emergency fund involves scooping up the change that falls between the cushions, you could probably use a little extra green for the lean times. Rainy days are guaranteed. Rainy day funds aren't. So here are 17 virtually painless ways to put aside some money.

### **1. Start your stash**

Get an envelope, cookie jar, coffee can or whatever you like and set aside the same amount every week. Whether it's \$5 or \$20, after a couple of weeks you're going to have a nice start on an emergency fund. The trick: don't count it, don't spend it and remember to hide it where no one -- including yourself -- will be tempted.

### **2. Tip yourself**

You go to lunch and tip the waitress 15 to 20 percent. (Ten if you're a cheapskate.) Put an equal amount aside for yourself, and your "tips" will add up quick, says Gary Foreman, editor of [The Dollar Stretcher](#), a Web site devoted to living better for less. "It becomes part of your expenses over time," he says. "And you don't realize how quickly it adds up." If you're a big fast-food fan, put a dollar in your savings jar every time you hit a drive-through window.

### **3. Live one raise behind**

Rather than spending that 3 percent cost-of-living raise, bank it. And the next time you get a raise, increase your disposable income by the amount of your last raise. "You're always one raise behind," says Foreman. "And it doesn't seem like you're depriving yourself compared to your co-workers or friends in a similar stage of life."

### **4. Get cash back**

Feel virtuous when you refuse "cash back" from your debit card at the check out? Instead, take a small amount -- \$1, \$2, \$5 -- and slip it into your savings jar. At a buck here and there, you'll forget about it. But it will quickly grow into a nice emergency fund.

### **5. Become your own bill collector**

Just paid off a big debt like a car loan or child's tuition? Keep making the payments -- this time to yourself, suggests Barbara O'Neill, a professor of family and consumer sciences at Rutgers University. "It's a chance to ramp up your savings," she says. This also works on a smaller scale. If you recently switched phone companies or discovered a flat-rate plan that's saving you money every month, put that cash aside in your savings jar. Electric or water bill lighter than you expected this month? Ditto!

## **6. Join Ye Olde Christmas Club**

You don't even have to celebrate Christmas to enjoy the benefits of a Christmas club. On a regular basis you put a certain amount in an account for your future holiday cheer. Many clubs will draft an automatic deposit, and some job-affiliated plans come right out of your check, so you don't think about spending the money you never see.

## **7. Claim your discount**

Do you use those shopping membership cards that print your "savings" at the bottom of your receipt? Even if you believe the cards are a gimmick, you can make the system work for you. Set aside that money in your savings envelope, says Michelle Jones, editor of [Betterbudgeting.com](http://Betterbudgeting.com), a site that focuses on family money management. Jones estimates she saves an average of \$15 on each weekly grocery trip. For a savings account, "that's a lot of money," she says. And coming on the heels of a large grocery purchase, you're less likely to miss it.

## **8. Love the IRS**

Get a refund this year? You're in good company. Thanks to new tax laws, a lot of people will have a little extra money coming their way after April 15. Either put the check right in your savings account or cash it and stash it. It's not that you don't need it. It's that you'll probably need it more later.

## **9. Reward yourself**

If you have the discipline to use a credit card and pay off the bill every month, use one that promises a cash reward and bank the money. Jones and her family used a card for groceries last year and recouped \$150, a nice windfall for anyone's rainy day fund.

## **10. Start a change jar**

Chances are your parents or grandparents had one. The concept is simple: When you empty your pockets at the end of the night -- or any time you clean out your purse -- all the change goes into the jar. Not only will you feel about five pounds lighter, but your spare change adds up a lot faster than you think. Turbo-charge it by adding at least one paper dollar a day to the pile, says O'Neill. That should add up to at least \$50 a month, she says. And who wouldn't want to have an extra \$600 padding in the savings account for a rainy day?

## **11. Convert a bad habit into a good one**

Give up cigarettes -- or even cut your habit by half -- and put that money in the savings drawer, says O'Neill. If you drop a pack-a-day habit by half, you could easily bank well over \$100 by spring.

## **12. Employ the "Dollar Bill Savings Plan"**

This is a souped-up version of the change jar concept, but this time you're saving dollar bills. "It works," says Neal Boortz, a nationally syndicated radio host, who first heard the idea from a ski buddy more than 15 years ago and has been

touting it ever since. Here's how it works: When you leave the house in the morning, you don't carry anything smaller than a \$5 bill. When you get change, don't spend the singles. The only exception would be tips, says Boortz. At the end of the day, any dollar bills go into your cash stash. "The lesson is that you can save a lot of money, dollar by dollar by dollar," Boortz says. Boortz says his daughter always used to laugh at the savings plan -- until he presented her "with a brick of 2,000 \$1 bills on her graduation day," he remembers. "She stopped laughing."

### **13. Coin-operated laundry**

Put a jar on top of the washer and put in a quarter -- or two -- every time you throw a load in the washer or dryer. Get your finances in order while you clean.

### **14. Stop the (movie) madness!**

When you return your movies on time, pay yourself the late fee. If you rent a movie or two every week, you'll be surprised how quickly that \$1.50 to \$4 can add up.

### **15. Diet for dollars**

Trying to lose weight this season? Who isn't? So every time you go without dessert -- or that mid-afternoon candy bar break -- put the cost of your forgone goody into your savings jar. You shed weight and gain some green at the same time.

### **16. Use the pay phone**

Do you make a lot of calls? Pop a quarter in a jar by the phone every time you dial a long-distance number. Bonus money: Shop your calling plan and find a better deal. Put the difference into the phone jar each month, too.

### **17. Bank "extra" paychecks**

Get paid weekly or bi-weekly? This tip is for you. Most people set up their budgets to accommodate two to four paychecks every month, depending on their pay schedule. But several times a year, you get an extra paycheck in the month. (Hurray!) So instead of heading to the mall, pretend you never saw it. Put it in a savings account or put it in your rainy-day jar. Having a fund with a few extra checks has really helped over the years, says Jones, also a mother of four, who's been using the trick for 18 years to pay for everything from unforeseen car repairs to emergency doctor and dental visits. "Emergencies always come up," she says. "That's guaranteed."