

Build Wealth Not Debt

Become a Central Iowa Saver



Central Iowa **Saves**
What Are You Saving For?



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1111 Ninth Street, Suite 380
Des Moines, IA 50314

Who is a Central Iowa Saver?

Any Central Iowa resident who agrees to work toward a savings goal such as home ownership, school tuition, retirement, or even debt repayment. Central Iowa Savers set savings goals as little as \$10 per month and try to save this amount every month.

Becoming a Central Iowa Saver is simple.

Complete the "I Want to be a Central Iowa Saver" form on the last page of this brochure. Send to Central Iowa Saves®, by mail at 1111 Ninth Street, Suite 380, Des Moines, IA 50314, or by fax at (515) 283-0348.

Achieve Your Financial Goals and Peace of Mind

What membership benefits are available?

- No-fee or low-fee savings accounts offered to Central Iowa Savers by many financial institutions.
- Free informational and motivational workshop with strategies on how anyone can save and build wealth.
- Free one-on-one planning consultation with a budget coach.
- Free seminars by financial experts on how to pay off debts, spend less, get good deals, qualify for a home mortgage, set up a retirement account, or select a savings or investment product.
- Access to financial products, services, and resources available to all Central Iowa Savers.

So what does all this cost me?

Nothing! Your only obligation is to develop a specific saving goal, select an account, make a deposit in this account each month (or make a debt payment), and let us know that you are working toward your saving goal.

Who controls my savings account?

You do. You open the account in your name. We only advise and encourage.

Who is sponsoring the program?

C.I. Saves is coordinated by the Asset Building Coalition of Des Moines (ABCD) and advised by Iowans for Social and Economic Development (ISED Ventures) and United Way of Central Iowa (UWCI).

Sponsors of the program include United Way of Central Iowa, ISED Ventures, Foundation for Financial Planning, Financial Planners Association, and Annie E. Casey Foundation/Making Connections.

Participating organizations include many Central Iowa financial institutions, libraries, and area employers.

How are the program expenses being paid?

Through contributions from sponsoring organizations, grants from national and local foundations, and support from the Consumer Federation of America (CFA), a national consumer coalition. In cooperation with other national groups, CFA has established America Saves to encourage and assist local savings initiatives such as Central Iowa Saves.

Easy Ways to Save and Build Wealth

5 Key Savings Strategies

1 Pay off high-cost debt. The best investment most consumers can make is to pay-off debt with double-digit interest rates. For example, if you have a \$3,000 credit card balance at 19.8% interest, and you pay the required minimum balance of 2% of the balance or \$15, whichever is greater, it will take 39 years to pay off the loan. And you will pay more than \$10,000 in interest charges.

2 Buy a home and pay off the mortgage before you retire. The largest asset of most middle-income families is their home equity. Once these families have made their last mortgage payment, they have far lower housing expenses. They also have an asset that can be borrowed on in emergencies or converted into cash through sale of the home.

3 Participate in a work-related retirement program. Many employees turn down free money from their employer by not signing up for a work-related retirement program such as a 401(k) plan. If they did participate, with a dollar-for-dollar match they would likely receive an annual yield of greater than 100% on their investment.

4 Outside of work, save monthly through an automatic transfer from checking to savings. These savings will provide funds for emergencies, home purchase, school tuition, or even retirement. Almost all bank-

ing institutions will, on request, automatically transfer funds monthly from your checking account to a savings account, U.S. Savings Bond, or stock mutual fund. What you don't see, you will probably not miss.

5 Earn at least 4% on some certificates of deposit (CDs) and U.S. Savings Bonds. Some CDs from a bank or credit union, and U.S. Savings Bonds pay a yield of at least 4%. Both the CDs and bonds are insured or guaranteed by the federal government.

Finding Money to Save

Tip	Monthly Saving
Save \$.50 a day in loose change	\$15
Cut soda pop consumption by 1 liter a week	6
At work, substitute 1 coffee for 1 cappucino	40
Bring lunch to work (saving an estimated \$3/day)	60
Eat out 2 fewer times a month	30
Buy grocery store brands	10
Eliminate premium cable channels	20
Use fewer phone features	10
Borrow, rather than buying, 1 book a month	15
Comparison shop for gas (saving an est. \$.25/gallon)	4
Maintain checking account minimum to avoid fees	7
Pay credit card bill on time to avoid late fee	25

Watch Your Savings Grow

the "Miracle" of Interest Compounding

Few people get rich from their wages alone. But by taking advantage of the "miracle" of compound interest — earning interest on your interest — almost anyone can reach long-term financial goals.

By saving as little as \$50 a month, you can build considerable savings.

The chart tells the story.

Save \$50 a Month
With a 5% Yield



* \$24,000 principal and \$52,301 interest.



I Want to be a Central Iowa Saver

All personal information will be treated confidentially.

I agree to work toward the following savings goal (e.g., home ownership, emergency fund, retirement, training or education) _____
by saving \$ _____ a month for _____ months
in the following institution and type of account

_____ to which I will make deposits by (method) _____

_____ starting (approximate date) _____

Or,

I will add \$ _____ a month toward repayment of my debts.

Signature _____

Name _____

Address _____ (please clearly print first and last name)

Phone _____

E-mail (optional) _____

Send to Central Iowa Saves, 1111 Ninth Street, Suite 380, Des Moines, IA 50314, phone: (515) 283-0940, fax: (515) 283-0348.



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