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Study: Not enough Americans saving for a “rainy day”

(NECN: Jack Thurston, Waterbury, Vt.) - At the popular Waterbury, Vt. eatery Park Row, Matt Trollinger, 24, stays busy serving and ringing up the lunch crowd. At the end of the day, he said he often thinks about his own wallet.

"Do I spend that \$10 on this movie I really want to see, or do I save that \$10 and hope they add up to something more meaningful?" Trollinger said.

The 2010 University of Vermont grad told New England Cable News that between student loans, car payments and other bills, he lives paycheck to paycheck.

"If you do the math, it doesn't leave a lot left over to save or put away or anything," Trollinger added. "All of my friends, it seems, are sort of in the same boat."

And he and his friends reflect a national issue, according to a recent study from Bankrate.com. It found only 24-percent of Americans had savings that could cover six months of their expenses if they had an emergency, like a job loss. Half could cover three months of expenses or less.

Most alarming to financial advisors, the study found 27-percent of folks have no emergency savings whatsoever.

"You have to pay yourself first," said Greg McBride of Bankrate.com. "Set up direct deposit from your paycheck into a dedicated savings account before you have a chance to spend it. If instead you wait until the end of the month and try to save what's left over, far too often, nothing's left over."

Vt. State Treasurer Beth Pearce said it's pretty obvious why having a savings account would benefit an individual, but she noted it also pays dividends for the whole community.

"Every little bit counts," Pearce told NECN.

Pearce explained individuals who don't have adequate savings for emergencies and for retirement end up requiring more services from the government, and from non-profits, and of course have less to spend later in life. That means less activity generated for the economy as a whole, she said. Those who do save, are often happier, Pearce added.

"When those two things come together, it's a win-win. We want to help the individual and we want to work together for the health of the whole state," Pearce said.

Pearce and her team offer financial literacy programs starting with children, insisting saving early builds lifetime habits. For more on Vermont's efforts to improve financial literacy, visit this website: <http://www.vermonttreasurer.gov/financial-literacy/>

As for Matt Trollinger, he said he is eager for the day he'll be more able to save money. For now, though, he'll just keep working hard to make ends meet.

"Hopefully I'll find a \$10,000 bill lying on the ground or something," he chuckled.