

Incentive Saver Newsletter

March 2024



Hi all

The first newsletter for 2024. Yipee, it's great to be rolling the Incentive Savers into its 3rd year.

My work year started slightly differently than I expected. My adult son who moved to Nelson 6 months ago was taken out by a dog while biking to work and ended up with a broken collarbone. I flew to Nelson for 5 days whilst he had surgery and did all the things Mums do i.e. transport, stocking up the food cupboard, taking them out for lunch etc. All in all it was a very enjoyable trip (well for me anyway), however his accident did remind me of that saying - *the unexpected will always happen*. Which is why the saving you folk are doing is so important.

1. Finished

To date 36 savers have completed the Incentive Saver with a big group finishing at the end of 2023. I have devoted the last segment of the newsletter to their tips. Tony's comment reminds us that our goals have to be big enough and important enough to keep us on track. These tips include words of wisdom from Konna and Isaiah, our 2 youngest savers to finish.



My hope for them (and all of you) is that this habit of saving lasts a lifetime.

2. Survey

Last year I ran a survey and I thought you'd be interested in a brief summary of the results.

1. Newsletter emailed out – vast majority said keep it monthly
2. Sessions – majority preferred individual sessions
3. Small group online session? – *maybe* was the most popular response
4. Interested in being part of a saving group? – 50/50 split between no and yes



And just about everyone read all or some of the newsletter which was rewarding to hear!

3 Car Insurance

1. Premium and Excess

- a) Premium is what you pay every fortnight, month or year to pay for your insurance policy.
- b) Excess is the amount you must pay before **any** repairs are done.



Generally, the higher the excess the lower the premium.

Note: a couple of years ago I decided to save money and increase my excess. At the time we had our sons named on our insurance as drivers. They were under 25 and insurance companies always have a much higher excess for this age group. I learnt that if I increased our excess their excess would also automatically increase – from \$650 to \$1000 (makes sense. I just hadn't thought it through). If they were to have an accident that's a lot of money for a university student to pay. Consequently, I reversed my decision and waited till they were both 25 before increasing our excess.

2. Types of insurance

Normally a choice of 3:

1. **Third Party** (cheapest) Pays out if you damage other people's car or property i.e. fence, walls, houses. It doesn't pay out for your own car or property
2. **Third party, Fire and Theft** As above plus fire and theft.
3. **Comprehensive** (most expensive) offers the most cover, specifically damage to your car, other cars and any property from accidental damage, certain car faults and in some cases windscreen issues.

3. Agreed Value and Market Value

When you insure your car, you may have to decide between:

- a) **Agreed Value** - a pre-agreed specific dollar amount the insurance company will pay out if your car is damaged beyond repair or stolen and not found.
- b) **Market Value** - means what you would have got if you had sold the car just before the accident. If the car is damaged beyond repair or stolen the insurance will pay work out your cars current value and pay that out.

If you want more information about car insurance let me know. I have an information sheet which adds a bit more detail which I can email to you.

4. Words of Wisdom

Be inspired by those who have done the hard mahi and hit their money goal

“Keep it going and seeing the money build up was encouraging” – *Konna*

“Try to save as much as you can”- *Isaiah*

“Keep telling yourself you can do it” – *Charlene*

“You can survive not having that cappuccino!”-
Melisa

“Save money and forget about it” - *Leila*



“You can start saving with a little amount” - *Mohammad*

“Number 1 tip is to divide their saving into 2 saving accounts. One to use as needed in an emergency, the other hidden away as long-term savings.”- *Pepe*

“To have a goal toward saving. It’s got to be a post not a little stick waving in the wind!”-
Tony

“Use automatic payments”- *Katrina*

“Even though there are a lot of costs and expenses in your life you can still manage to save. There is a saying “You don’t know the importance of something if you don’t try so if you try saving then you know saving is important”- *Segavao*

“Save even just a few dollars a week”- *Lorraine*

“Don’t be discouraged but plod on! Make sure you leave some money for saving because you don’t know what’s around the corner” – *Carol*

“To save regularly helps with emergencies” - *Jo*

“Set a goal. Don’t aim too high. When you get what you want to buy the feeling is amazing!”- *Kay*

If you are feeling motivated to save then get in touch.

If you have extended whanua, friends or workmates who are feeling motivated then get in touch. We can arrange sessions together. Saving together is a great way to help support each other on the saving journey



5. Resources

Was your New Year's Resolution to stop spending and saving harder?
If so then check out these tips from Money Hubs

<https://www.moneyhub.co.nz/money-habits-that-keep-you-poor.html>

<https://www.moneyhub.co.nz/things-to-stop-buying-to-have-more-money.html>



Happy Saving!

Thank you also to those of you who spread the word about Incentive Saver amongst family, friends and clients.

If you are interested to know more about the Incentive Saver scheme or want your name added to the newsletter list just send me an email

Linda Smith Financial Mentor lindas@mmsi.or.nz

If you no longer wish to receive newsletters from me please reply with "unsubscribe" in the subject line.