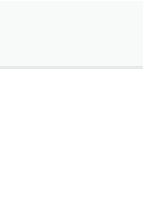




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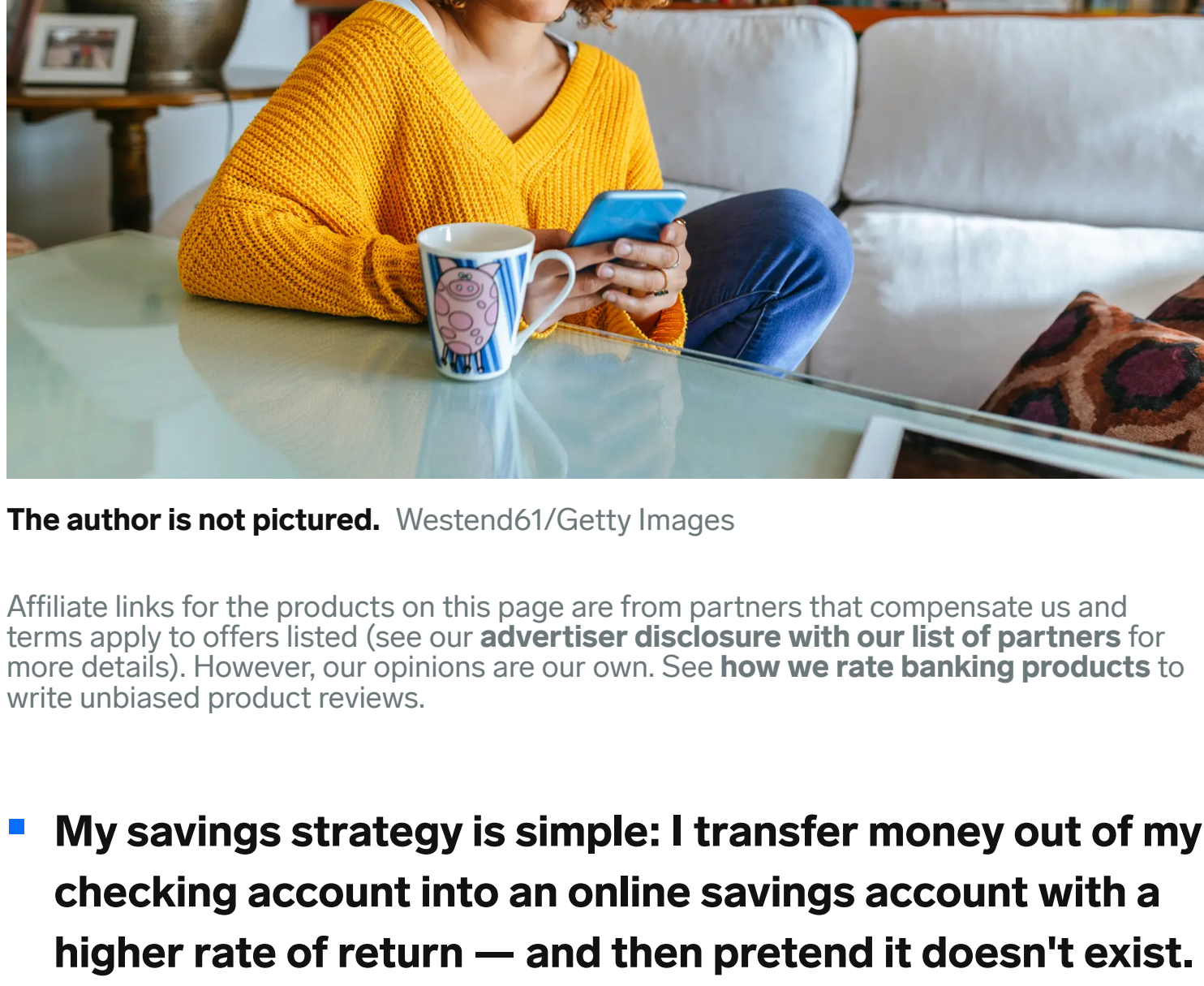
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I transfer money to my savings account then pretend it doesn't exist, and that strategy paid for a \$4,000 European vacation

Written by Leslie Quander Wooldridge; edited by Stephanie Hallett May 7, 2020, 1:13 PM EDT



The author is not pictured. Westend61/Getty Images

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- **My savings strategy is simple: I transfer money out of my checking account into an online savings account with a higher rate of return — and then pretend it doesn't exist.**
- **I learned this strategy when I worked a full-time job and taxes, insurance, and retirement savings would come out of my paycheck before I even saw the money.**
- **Now, I've been able to fund trips abroad, cover expensive car repairs, and build a robust emergency fund by pretending I don't have any money.**

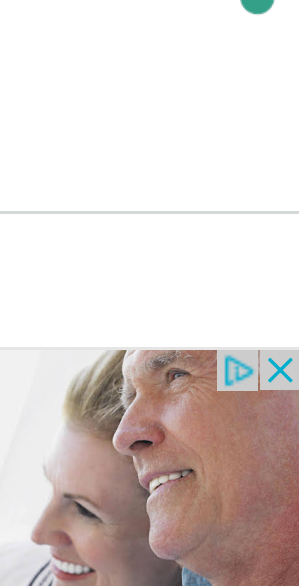
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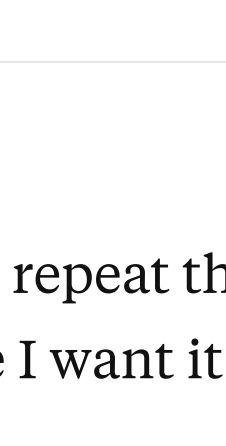
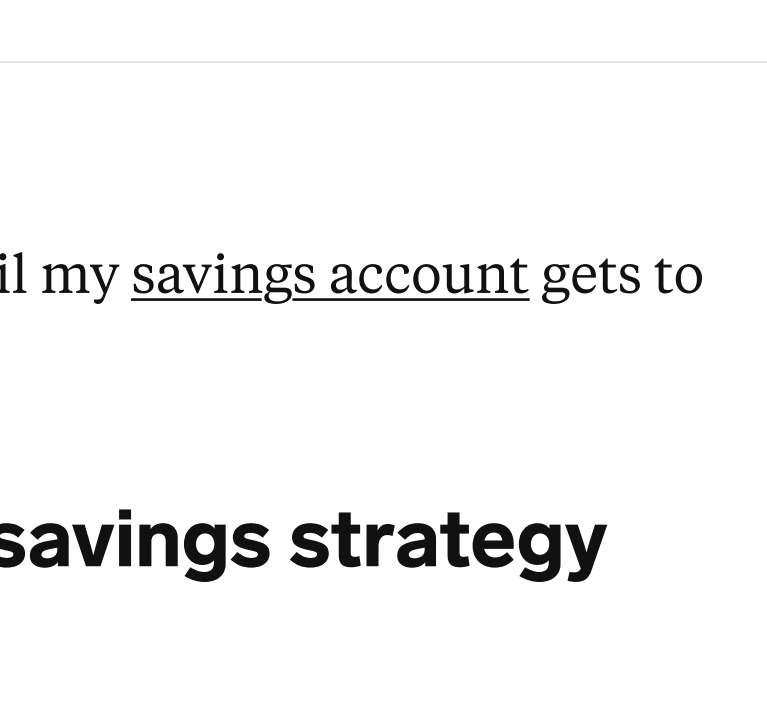
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To save money, I act like I don't have any.

That may sound odd. Let me explain. First, I actually like putting away money. As a child, I had my own little bank in the shape of a mailbox. I remember it being a gift from my grandfather, who'd worked for the United States Postal Service. I'd slide coins into the shiny mailbox and grew up learning that it was important to have my own money so I could take care of myself.

As an adult, I've set savings goals like traveling and having an emergency fund. The savings strategy that has consistently worked for me is the one where I transfer money out of my checking account, put it in a separate, online savings account with a higher rate of return — and then pretend like my stash doesn't exist.

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I then repeat these steps until my savings account gets to where I want it to be.

How I learned this savings strategy

Having a fallback fund has become even more important now that I work independently as a writer, speaker, and coach. But I realized my savings habit was inspired, in part, by my old workplace retirement accounts.

When I had staff jobs, having a percentage of my paycheck withdrawn *before* I could spend it was something I became used to. It seemed normal — after the deduction of taxes, other expenses, and retirement contributions — not to have access to my money all at once.

In fact, when I used to get those paychecks, I'd often take an additional percentage off the top and transfer it to my savings account. I even did automatic transfers at one point, which was effective because I never *saw* the money in my checking account, so I never really missed it.

I'd then pay bills, like those for housing, out of my checking account. And since I put many entertainment and other expenses on a credit card (I'm all about points, y'all), I'd use my checking account to pay that card, in full, each month.

If there was anything left, sometimes I'd add more to my savings. And if I had wants after that, well, I'd look at my checking account balance and tell myself I didn't have the extra money.

For me, it was a priority to live below my means so I could fund my savings and investments. Though it wasn't always fun to feel like I didn't have cash, I liked seeing my savings account grow. And while I know everyone doesn't operate like this, I'm used to it.

My father often finds my methods amusing. When he and I talk about pricey things I want to buy, I'll sometimes pitifully tell him, "But I *can't*. I don't have any money." And I'll mean it. Sort of. But he knows about my stash and thinks my assertions are hilarious. "But you do," he'll say about my savings. And we'll laugh ... because he's right.



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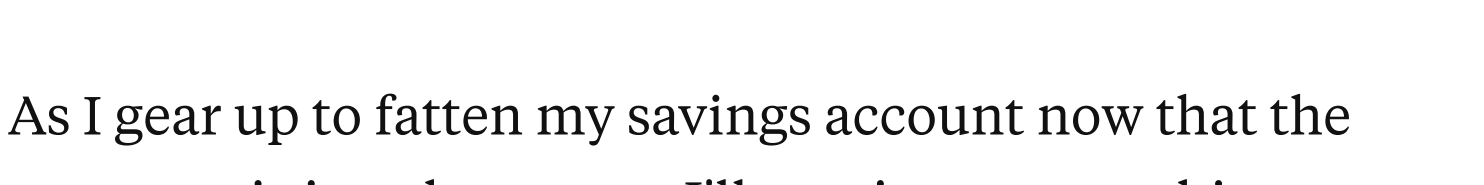
When I have to dip into my savings, I always pay myself back

Now there are *some* exceptions to my amnesia. If I'm working toward a bigger goal — like traveling abroad, investing in self-improvement, or putting a certain amount into the market — I'll occasionally "borrow" money from my savings to pay for it. Or if I have an unexpected expense, like a crazy maintenance bill for my car — *why* do those happen? — I've withdrawn from savings, too.

For example, I took myself on a \$4,000 trip around Europe in 2016 using my savings, and had \$3,200 on hand to cover the cost of a major car repair in 2017.

But over time, I work to pay myself back. Sometimes I take on extra freelance work to do it. Or I cut back on spending, planning less costly outings or less shopping.

These days, I know how much I want to have in my savings account. (Usually several months of living expenses.) Once I have that, I can spend and invest the rest.



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As I gear up to fatten my savings account now that the economy is in a downturn, I'll continue to use this strategy of "hiding" money. And borrowing from myself if I have to.

So there it is. I'm occasionally my own lender. And apparently an actress, too. Of course, there are no Academy Awards for this kind of playing pretend. I guess my savings will have to do.



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Leslie Quander Wooldridge

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