In today's economy, it's important to cut costs but eliminating some things such as insurance is not a wise thing to do. Insurance is designed to protect you in the case of an accident but a few slip ups on trying to save money on insurance could really cause your financial health harm.

Are you saving money in these hard times?

In today's economy, it's important to cut costs but eliminating some things such as insurance is not a wise thing to do. Insurance is designed to protect you in the case of an accident but a few slip ups on trying to save money on insurance could really cause your financial health harm. For expenses you pay annually, such as insurance premiums, I want you to break them down into a monthly number. Just take the entire amount you pay annually and divide it by 12.

Enter that on the right with the totals. You don't need to break it down into weeks. We do this is because we really want to earmark that money for the premiums we have to pay and make sure we are planning for them. This money is not "extra" cash. It will be used for these expenses at some point in the year. For that reason, it should have an impact on how much you spend on a monthly basis.

You may not actually have a particular expense every month but you do need to plan ahead and save money for that purpose.Saving money is something we should all learn how to do.

But, it isn't as simple as one would think. People try all kinds of ways to save money yet what's important is to do it regularly and to make budgeting a habit. You can't expect to just sock away thousands of dollars overnight.

There are several steps you need to take before you can even think about investing in the stock market, retirement plans, or anything else above and beyond what you use for paying bills.I often hear people say, we do not have cable any more or most have eliminated a lot of the extra channels. One cost saying I heard of, the other day, was why not send individuals to get treatment for $3,000 instead of sending them to jail which cost $200,000 dollars.We live in a different era now.

When I was growing up, we had play clothes and school clothes. Those play clothes would last forever. If the knee of the pants got a hole in it, my mother cut them off to made shorts. If you long sleeve shirt got torn on the sleeve, she made it a short sleeve shirt.Climate change is in the news. It seems like everyone's "going green." We're glad you want to take action too and, luckily, many of the steps we can take to stop climate change can make our lives better. Our grandchildren and their children will thank us for living more sustainable.

Let's start now. Some ways you can save energy and more is to;

• Set your thermostat a few degrees lower in the winter and a few degrees higher in the summer to save on heating and cooling costs

• Install compact fluorescent light bulbs (CFLs) when your older incandescent bulbs burn out.

• Unplug appliances when you're not using them. Or, use a "smart" power strip that senses when appliances are off and cuts "phantom" or "vampire" energy use.

• Wash clothes in cold water whenever possible. As much as 85 percent of the energy used to machine wash clothes goes to heating the water.

• Use a drying rack or clothesline to save the energy otherwise used during machine drying.Why not save water to save money?

• Take shorter showers to reduce water use. This will lower your water and heating bills too

• Install a low-flow showerhead. They don't cost much while the water and energy savings can quickly pay back your investment.

• Make sure you have a faucet aerator on each faucet. These inexpensive appliances conserve heat and water while keeping water pressure high

• Plant drought-tolerant native plants in your garden. Many plants need minimal watering. Find out which occur naturally in your area.

Yes, you need to have some money in your bank accounts before you can start pumping money into the stock market, real estate and mutual funds.

Typically for a client, I would recommend that you have at least three months of expenses saved. You need that little nest egg for yourself just in case

an unexpected expense or emergency comes up. What if the car breaks down? What if you need a new refrigerator? Where is that money going to come from?

Credit? That's what most people think and that is why many people are in debt all the time. I really don't want you to put yourself in a position where you must

use credit cards to pay for things. Credit cards are great for emergencies, when you are out in the middle of nowhere and have no access to cash, but they

are a bad habit if you are not able to control yourself with them. I want to take the temptation away as much as possible by having you build a cash reserve.

A cash reserve is like any other investment goal. In fact, it is priority number 1 for me. It precedes every other investment you will undertake and building a

cash reserve is easy. If you already have a positive cash flow, you probably already have a reserve, unless you just go out and buy something fun when you

see it then have a bit of money in your account. If you have the positive cash flow, you will want to maintain a three month reserve. Keep saving your excess

money until you get there.Now that you have learned how to manage your money and have built a suitable cash reserve, you are ready to start with other

goals -- retirement, college, vacations, or any other goal you may have. At this point, you are really in a position to speak with a professional financial advisor

to have them take care of your investments. They spend their days learning all there is to know about investing, whereas you have your own job, kids, and home

projects to worry about. The best way to find an advisor is through someone else you trust. All advisors will give you a free consultation, so you can see if they

are a right fit for you. If you decide to start investing on your own, please spend a significant amount of time learning about your options and determining what is important.

You can take online finance classes to speed up your learning process.