

It seems like everywhere we look these days we see something telling us how bad the economy is and how tough times are. I agree that it has become more difficult for some but also feel that this a great learning opportunity for many.

My name is Danny Kofke and I am a school teacher with a family of four to raise on my salary - my wife, Tracy, is a former teacher and now stay-at-home mother to my two young daughters. Despite earning a moderate income, we have no debt except our mortgage, have a 6-month emergency fund, invest so that we are on track to retire with a sizeable nest and live a financially secure life on a teacher's salary.

I recently wrote a book, "How To Survive (and perhaps thrive) On A Teacher's Salary", to show others how they can make the most out of their salaries. Here are some tips that have enabled my family to live on a teacher's salary:

- Make your own Halloween costumes

Tracy has made my oldest daughter's Halloween costumes the past two years. Last year Ava saw a skeleton costume in a Pottery Barn catalog and wanted that to be her costume. Instead of buying this, Tracy made an identical-looking costume using a tee-shirt and felt material. This homemade costume saved us \$50. Tracy is doing the same thing this Halloween with a butterfly costume.

- Get a new cell phone plan

This might not apply to all, but we only use our cell phone for emergencies. A few years ago we had a plan in which we were paying \$50/month and barely using it. We switched providers and now spend an average of only \$10/month.

- Look into changing your home phone plan too

A lot of people are now using their cell phones in place of a home phone. If you still find yourself in need of a home phone, it is important to analyze your plan and make sure you are signed up for what you really need. I once analyzed my bill and realized we had too many options that we were not using. I changed my plan to the basics and saved almost \$25 each month by doing this.

- Use cash

Cash is king these days. Most stores are hurting and are willing to negotiate prices - especially if you are using cash. I recently had a friend that wanted to buy a new tv that was listed for around \$1,000. I told her to walk into the store with \$700 in cash and say that she really wanted the television but could only spend the money she had. Well, after some talk, she walked out with this tv for the money she had in her purse. Not all stores will do this, but, with the economy where it is, it doesn't hurt to ask.

- Use your local library

We all know that the library is a great place to get books for free but most do not realize that many libraries also have cds and dvds that you can check out. Instead of renting or buying many videos for my children, we visit our local library and check them out for free. You can also use the library to get passes to activities in your area. We have checked out a book that contained free passes to state parks. This enabled us to have a fun and, better yet, free family day.

- Save money on food

Like many, we use as many coupons as we can at the grocery store. We also take advantage of Buy 1, Get 1 Free sales and days when stores double the value of coupons. Tracy also makes as much food as possible from scratch. For example, she cuts up food to make homemade lunchables, uses homemade pancake mix instead of box mix, and makes homemade pizza as opposed to buying frozen pizzas. Over time these little savings add up.

- Ask for free stuff

Okay, this might surprise you, but we have The NFL Sunday Ticket. This is one splurge that is important to us - we have family time together watching football on Sundays (plus I never miss a Miami Dolphins game). I saw an add in a local magazine saying that new subscribers to this service would receive an added feature worth \$99 for free. I called up my satellite company and said that I already subscribed and wanted this free feature too. Well, after about 15 minutes of being placed on hold and being told that I probably would not be able to receive this free item, I got it free and clear. It never hurts to ask.

- Save money on the weekends

I know there are some people that go out every weekend to dinner and a movie. Let's say the cost of this night out totals \$50 - this is probably too little an amount. Instead of going out every weekend, just stay home one Saturday night and rent a movie and order pizza. This one act alone can save you at least \$35! If you do it more than once a month your savings goes up.

- Save a little every day

There are some things you can do each day to save a little money that will add up over time. Make your own coffee at home. Some buy their coffee from a store on the way to work. This practice can easily add up to over \$100 a month. If you instead make your own coffee at home, you can save up to \$25 a week which adds up to over \$1,000 a year! Another way to save is to bring your lunch to work. On average, you will spend at least \$5.00 eating a fast food lunch - more if it is a sit-down restaurant. Instead of eating out everyday, bring leftovers from home only 2 days a week. You still get to eat out a majority of the work week and will save over \$40 each month.

These are some of the tactics we use to get the most out of my paycheck. For most people, it is not how much you make but, rather, how well you plan and spend your money that leads to financial success. This philosophy has enabled us to live a very wealthy life on a moderate income.