

Name _____

Rainy Days and Emergency Funds: Why They Matter in Budgeting

Open-Ended Response Questions

1. Share a personal story or scenario where you or someone you know faced a significant financial emergency. Explain how having an emergency fund in that situation would have been beneficial.
2. Imagine you've just started your first job, and you're eager to build your emergency fund. Describe the process you would follow to set up your fund, including setting a goal and budgeting for it.
3. Discuss the emotional and psychological benefits of having an emergency fund. How does it contribute to financial peace of mind and confidence in managing unexpected expenses?
4. Explain the concept of "paying yourself first" in the context of building an emergency fund. Why is this approach effective in ensuring consistent savings for emergencies?

