The Small-Cushion Ladder: $100, Then $500, Then $1,000

Three small numbers, climbed one check at a time.

The advice that's true and useless

Standard advice says to save three to six months of expenses before you do anything else. For a household bringing home $1,320 a check, that's a number in the thousands — true, useless, and quietly discouraging, because a goal you can't see yourself reaching is a goal you stop feeding.

So don't start there. Start with a ladder: **$100, then $500, then $1,000** — three rungs, each one small enough to reach from a single paycheck's leftover, each one changing what kind of bad day can actually hurt you.

What each rung buys you

- **$100 — the annoyance absorber.** A copay. A patched tire. A phone screen. The small stuff of life costs about this much, and without a cushion it goes on a card at card interest. The first hundred dollars is the difference between an annoyance and a debt.
- **$500 — the emergency stays an emergency, not a loan.** A tow and a repair. A deductible. A furnace call in January. Five hundred covers the class of bad day that used to mean borrowing — from a card, a relative, or next month.
- **$1,000 — breathing room.** A major repair, a gap between jobs, a month where everything lands at once. A thousand dollars doesn't solve a crisis, but it turns a panic into a problem — and problems can be planned.

Notice what the ladder is really doing: it isn't the money, it's the order. Each rung retires a whole category of fear, cheapest first.

The example — the ladder on a real leftover

Take the household from our method guide: $1,320 comes in per check, and after the bills, the debt minimums, and the small piles are covered, the **leftover is $108 a check**. That leftover is the ladder's fuel — all of it, every check, until the rung is reached:

Rung 1 — $100: crossed on the **very first check**. $108 in, the cushion holds $108. One payday, and the annoyances of life are already off the card.

Rung 2 — $500: five checks of $108 is **$540** — the rung is crossed on the **fifth check** (after four, it's $432 — close, not yet). On a biweekly rhythm that's about ten weeks.

Rung 3 — $1,000: ten checks of $108 is **$1,080** — crossed on the **tenth check**, roughly five months in.

Five months from zero to a thousand-dollar cushion, without finding a single extra dollar — just by giving the leftover one job and letting it keep that job. If your leftover is smaller, the ladder takes longer and works exactly the same; if it's bigger, you'll climb it faster. The rungs don't move. That's the point of a ladder.

The rules that make it hold

- **The cushion is a line in the plan, not what's left over.** It gets its money when the check is planned — on payday, in writing — not from whatever survives the week. Money waiting for permission to be spent will be spent.
- **Rung 1 before extra debt payments.** If you're snowballing debts, build the first $100 first. Otherwise the first surprise goes back on a card and quietly refills the debt you're draining.
- **Spending it is success, not failure.** The cushion's job is to be spent on the thing it was saved for. When it is, you don't start over in shame — you just climb back to that rung with the next checks, same as before. A cushion that gets used and refilled is doing exactly what it was built to do.
- **Keep it close, not convenient.** A separate savings account or a labeled envelope — somewhere it takes one deliberate step to reach. One step is enough; the goal is a pause, not a vault.

The honest part

A $1,000 cushion is not "fully funded security," and this page won't pretend otherwise — the three-to-six-months advice exists because bigger cushions protect against bigger falls. The ladder is how you get there from zero without quitting in month one: $1,000 first, and then, if you keep climbing, the next rungs are one month of bills, then two. Dana, from our irregular-income guide, is climbing toward exactly that — her goal is a full floor month, $1,650, sitting in reserve. Same ladder, higher rungs.

The free way

An envelope and a notebook line per check will run the whole ladder: the rung you're on, what went in, what's still owed to it. Plenty of cushions were built with nothing fancier.

And if you don't know your leftover yet — that's the number the whole ladder runs on — our free **Leftover Check** finds it in about a minute: what came in, what has to go out, what's truly left. No account, no email — just your number, the one the ladder climbs on.