

Personal Budget

Building a Budget

Using a Budget to Save Money & Reach Your Financial Goals

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<p>Building Your Budget, Step 1</p> <p>Track Your Money</p> <ul style="list-style-type: none"> ✓ Money In ✓ Money Out ✓ Money Saved ✓ Seasonal Unexpected  <p>Experiment & find a method that works for you</p> <ul style="list-style-type: none"> ○ Paper ○ Spreadsheet ○ Free program @ Credit Union & Bank ○ Apps: <i>explore a free one first!</i> <ul style="list-style-type: none"> ▪ mint.intuit.com ▪ wally.me 	<p><u>Tips for Succeeding with Your Budget</u></p> <ul style="list-style-type: none"> ✓ <i>Involve the people</i> your income & expenses support ✓ <i>Establish your priorities</i> <ul style="list-style-type: none"> ○ Obligations Needs Wants Goals ✓ <i>Create visual motivators!</i> <ul style="list-style-type: none"> ○ Your Financial Goals ○ Changes you make to Expenses Income Savings ○ Progress you make towards your Goals ✓ <i>Ask family & friends</i> to support your efforts
<p>Building Your Budget, Step 2</p> <p>Categorize Your Spending</p> <ul style="list-style-type: none"> ✓ Obligations & Needs ✓ Savings ✓ Wants ✓ Fixed Flexible <p>As you see where your money is going...</p> <ul style="list-style-type: none"> ○ What do you notice? ○ What do you think & how do you feel? ○ What possibilities do you start to see? 	<p><u>Tips for Succeeding with Your Budget</u></p> <ul style="list-style-type: none"> ✓ Expense Reductions ...Acknowledge that change is hard <ul style="list-style-type: none"> ○ Cut Out? Cut Down? ○ What changes seem most sustainable for you? ✓ Automate Deposits into your Saving Account(s) ✓ Schedule Recurring & Obligation Expenses ✓ Credit Cards: Leave @ home Disconnect from online sites
<p>Building Your Budget, Step 3</p> <p>Make Informed Choices & Changes</p> <ul style="list-style-type: none"> ✓ What are my Financial Goals? 	<p><u>Tips for Succeeding with Your Budget</u></p> <ul style="list-style-type: none"> ✓ Consider Refinance & Income Sensitive Plans ✓ Delay purchases Create space to think about your goals ✓ Create shopping lists ...and use them! ✓ Budget how much you can give others... and stick to it

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A MONEY TRACKING EXAMPLE

We'll walk through this example during the Budget presentation slide show

DATE	DESCRIPTION	PLANNED	ACTUAL	DIFFERENCE	Running Difference
DECEMBER	INCOME	\$ 1,500	\$ 1,500	\$0	
DECEMBER	EXPENSES	\$ 1,315	\$ 1,315	\$0	
DECEMBER	BALANCE	\$ 185	\$ 185	\$0	
Dec 1	Rent	\$ 800	\$ 800	\$0	\$0
Dec 1	Car Insurance	\$ 100	\$ 100	\$0	\$0
Dec 5	Groceries	\$ 50	\$ 50	\$0	\$0
Dec 6	Starbucks	\$ -	\$ 5	-\$5	-\$5
Dec 15	Heating Bill	\$ 75	\$ 80	-\$5	-\$10
Dec 15	Emergency Savings	\$ 25	\$ 25	\$0	-\$10
Dec 16	Gasoline	\$ 25	\$ 30	-\$5	-\$15
Dec 17	Groceries	\$ 50	\$ 40	\$10	-\$5
Dec 18	Electricity Bill	\$ 65	\$ 85	-\$20	-\$25
Dec 20	Dinner with Friends	\$ 50	\$ 25	\$25	\$0
Dec 25	Cable Bill	\$ 75	\$ 75	\$0	\$0
				\$0	\$0

RESOURCES

Consumer Financial Protection Bureau: Consumer Education Topics

www.consumerfinance.gov/start-small-save-up/start-saving

211: Statewide Resource Directories {state-specific web sites are listed in workshop slide #28}

CONNECTICUT	211ct.org
MAINE	211maine.org
NEW YORK	211nys.org
PENNSYLVANIA	pa211.org
VERMONT	Vermont211.org

- WEBSITE www.oppsvt.org
- EMAIL counseling@oppsvt.org
- PHONE 802.654.4050 Ask to speak with a Money Sense Program Counselor