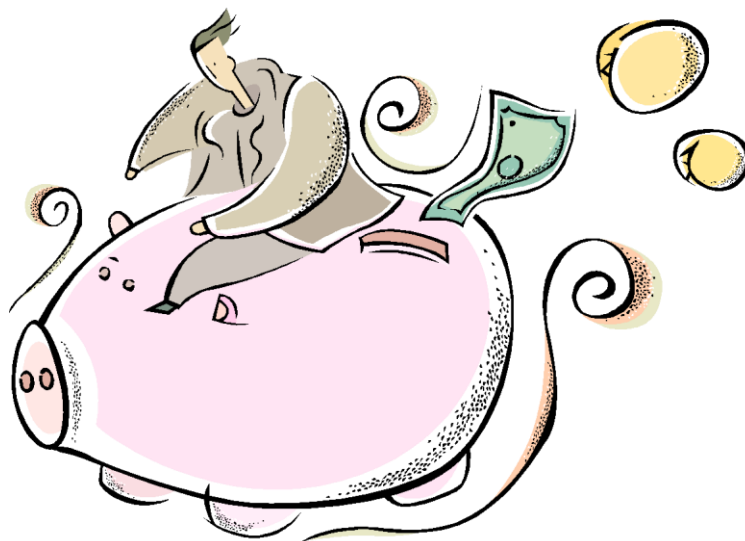


# Household Budgeting



*The Amazing Secret To Creating  
A Family Budget That Leads You  
Out Of Debt, Fills Your Savings  
Accounts, And Escorts You To  
Your Next Vacation!*

**Como ...**



**"Estabelecer um orçamento familiar"**



"Um orçamento nos diz o que não podemos pagar, mas não nos impede de comprá-lo."

William Feather

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**Earl Wilson**

## **INTRODUÇÃO**

**"A família média existe apenas no papel e seu orçamento médio é uma ficção, inventada por estatísticos para a conveniência dos estatísticos".**

**Sylvia Porter**

Ao contrário da citação fornecida acima, aparentemente refletindo a opinião geral sobre os orçamentos familiares hoje, tentaremos adotar umamuito mais **abordagem positiva do orçamento, como uma ferramenta de gerenciamento e planejamento financeira, orientada para a família, de fácil utilização e facilitadora da vida.**

No entanto, ao refletir sobre o orçamento familiar e perguntar por que não mais famílias o estão usando, torna-se evidente que ceticismo semelhante corre solto e profundo na realidade e na sociedade, mesmo que globalmente.

Depois que você começa a investigar os orçamentos da família, gastando tempo e energia pesquisando o assunto em profundidade, fica bem claro que a maioria das famílias fica presa em um ciclo vicioso, quase interminável, de *"O que entra deve sair"*.

A maioria das famílias pode achar que o orçamento é um esforço fútil, sobrecarregando-os desnecessariamente com pensamentos e maneiras, de quebrar metodicamente e lentamente, sem o conforto e as indulgências da nossa sociedade humana moderna.

Outros podem expressar que sentem que estão apenas jogando dinheiro fora, numa espiral interminável e vertiginosa de gastar, gastar, gastar. As pessoas estão se endividando cada vez mais, por mais que tentem se livrar delas. Perguntas são levantadas: como paramos esses cursos de ação? Como mudamos o pensamento em torno da disciplina fiscal da família?

Simplificando, em "Como estabelecer um orçamento familiar", focamos em como capacitar as famílias a estabelecer orçamentos melhores e mais realistas, cumpri-los e celebrar seus sucessos (e aprender com seus fracassos!) As

famílias acabam tendo um superávit mensal, ver suas economias começarem a crescer, consolidar suas dívidas, reservar fundos discricionários e subsídios pessoais, aumentar sua riqueza e tornar-se mais consciente de seu envolvimento e responsabilidade pró-ativos em

relação a suas vidas e finanças. É quando a emoção aumenta e os padrões fundamentais de pensamento, assim como as atitudes de gastos, são alterados.

O orçamento é visto como uma medida precisa do sucesso quando uma transformação comportamental significativa está ocorrendo no cenário do orçamento familiar, nos hábitos de gastos e nos padrões financeiros que observamos ao longo do tempo!

Você já sentiu que não tem dinheiro suficiente no final do mês para pagar as contas, comprar as necessidades da vida? Você mal está afetando o saldo da dívida do cartão de crédito, por mais que tente?

Aqui está uma verificação da realidade para todos nós: se optarmos por gastá-la, ela se foi para sempre. Não podemos gastá-lo em mais nada. Você talvez esteja preocupado com um ninho de ovos para os seus anos dourados ou com economias para a aposentadoria precoce? Você chegou a uma fonte que pode fornecer algumas dicas prudentes sobre como iniciar, finalizar, implementar, manter, revisar e refinar um orçamento familiar.

O orçamento da família é um processo dinâmico, ainda mais que um mero produto de trabalho estático, resultado, resultado do processo ou documento. Vai, pode e deve mudar ao longo do tempo. Torna-se um barômetro da circunstância fiscal, dos recursos e da saúde de uma família.

Talvez o orçamento não seja tanto para refletir sobre o que você não pode ter, mas mais para pensar em como aumentar, investir e gastar seus dólares ganhos com mais sabedoria. Em suma, trata-se de fazer seu dinheiro ir mais longe.

**Este guia de instruções de referência rápida foi desenvolvido para ajudá-lo a configurar seu próprio orçamento pessoal, doméstico e familiar, para ajudá-lo com todos os itens acima e muito mais!**

Também serão fornecidas algumas economias gerais de dinheiro nestas páginas. Também existem pensamentos e padrões de gastos que precisam mudar, a fim de se tornarem fiscalmente mais disciplinados e muitas técnicas, atitudes, comportamentos habituais que precisamos desvendar, avaliar e possivelmente mudar antes mesmo de começar o orçamento.

Por exemplo, ser um caçador de pechinchas à procura de boas compras, reduzir gastos descuidados, estar atento a gastos descuidados com cartão de crédito e deixar que a pessoa que lida melhor com dinheiro em sua casa realmente cuide disso, são bons exemplos disso: nós queremos dizer.

Para a maioria das famílias, um orçamento não passa de um plano de gastos. Qualquer plano de gastos pode ajudar você a ver para onde seu dinheiro está indo. Cabe seus gastos à sua renda. Ele reflete como conseguimos as coisas que mais queremos e precisamos, enquanto estamos prontos e preparados para as contas que devemos pagar todos os meses.

Para a maioria das famílias, trata-se simplesmente de fazer um orçamento com o qual você possa conviver e se ater facilmente. Não é um exercício difícil, mas a maioria das pessoas teme, evita ou teme por causa da complexidade desconhecida e percebida (às vezes é injustamente!).

**Parte do objetivo deste guia é desmistificar o orçamento familiar e destacar um processo sistemático fácil para estabelecer um orçamento familiar de qualidade.**

Muitas coisas realmente direcionam nossas despesas. Optamos por gastar nosso dinheiro em coisas que valorizamos, precisamos, preferimos ou escolhemos conscientemente. Para alguns, é roupas, para outros, pode ser algo tão simples quanto tirar férias anuais.

Independentemente de você estar tomando decisões financeiras para você ou sua família, pode ser necessário fazer algumas escolhas e ajustes sérios em relação à sua liberdade e situação financeira.

“**Como configurar um orçamento familiar**”, é um guia de referência rápida, fácil e de instruções, destinado a orientá-lo sobre o típico, quem, por que, quando, o que, onde e como as perguntas normalmente são feitas ao considerar o planejamento fiscal para o agregado familiar e / ou o orçamento em geral para as necessidades, meios e circunstâncias da sua família, agora e no futuro.

**Orçar não é apenas restringir gastos e viver uma vida barata. Trata-se de insights, sabedoria, decisões informadas, ação e disciplina sustentada quando se trata das finanças domésticas.**

Este guia o convidará a aprender mais nestas páginas sobre orçamento sistemático. Ele se concentra na aplicação prática e aumenta o zoom para aplicar essas "sugestões de melhores

práticas" em sua própria casa. Ele capacita você a montar um plano financeiro dinâmico que se adapte ao seu bolso, meios e circunstâncias.

Financeiramente falando, avalie rapidamente onde você e sua família estão hoje.

- Que tipo de foto você tem?
- Você poderia inventar alguma coisa?
- Você tinha os dados e os números necessários?
- Você seria capaz de planejar onde quer estar e começar a viver sua vida hoje como uma família fiscalmente sólida e disciplinada com as informações que você tem à sua disposição atualmente?

Dinheiro faz o mundo girar! Não é segredo que alguns de nós têm mais, outros têm menos. Lidamos com nossas próprias finanças pessoais e administração de caixa de maneira distinta. Os agregados familiares têm diferentes necessidades, meios e circunstâncias. Nossas habilidades de gerenciamento de dinheiro também estão em níveis diferentes, assim como nossas dívidas e economias!

O orçamento tem a ver com a maioria dessas perspectivas e reflexões.

O objetivo e o objetivo do orçamento familiar são:

- análise da situação financeira e conscientização informada,
- (ii) redução de custos,
- (iii) obtenção de controle ou redução de gastos e
- (iv) Começando a economizar, acumulando riqueza e ativos líquidos ao longo do tempo.

Existem muitas fases e etapas a serem seguidas ao criar um orçamento.

**Se você está procurando maneiras de gerenciar melhor o seu dinheiro, fazendo com que ele alcance e se estenda ainda mais e forneça segurança financeira e um futuro mais sólido, você veio ao lugar certo.**

**Nesta breve introdução aos orçamentos familiares, já introduzimos nossas primeiras perguntas-chave.**

- Por que um e-book ou guia de instruções sobre como definir um orçamento familiar?

- Por que você precisa ou precisa de um orçamento familiar?
- Qual é o argumento comercial e a lógica por trás do orçamento familiar?
- Quais são os benefícios e vantagens de um orçamento familiar?

Nós elaboramos um pouco mais abaixo. Para a maioria das pessoas, um orçamento familiar é equivalente a um processo simplista: dinheiro é ganho e entra; dinheiro é gasto e sai!

É um processo de gerenciamento de caixa fluido, de fluxo fácil e unidirecional. É impulsionado pela vida cotidiana, por uma orientação para gastos ou por nenhum plano!

Para a maioria das famílias, a renda também é fixa e a saída geralmente aumenta com o tempo, conforme as necessidades da família flutuam e mudam. A cobrança de dívidas também é muito típica para a maioria de nossas famílias. Se isso soa muito como um círculo vicioso, é. A maioria das famílias é envolvida e luta constantemente para sair.

Principalmente, pensamos que sabiamente gastamos nosso dinheiro em necessidades como alimentos e roupas, gás e necessidades domésticas ou familiares, mas raramente podemos apontar para onde o dinheiro realmente vai, muito menos produzir um orçamento!

**Um bom lugar para começar é monitorar essas despesas.**

Faça um balanço da sua situação fiscal. Comece avaliando exatamente onde você está na sua vida e circunstâncias financeiras. A maioria de nós pensa que sabe, mas realmente não.

Ou seja, até reservar um tempo para realmente listar, estudar e analisar a situação. Descubra qual é o seu valor financeiro, analise todas as metas financeiras e defina um cronograma para alcançá-las. Isso soa como um plano de ação? Por onde você começa?

Uma boa sugestão são seus extratos bancários, declaração de imposto de renda e relatório de crédito atual recente - um extrato de ativo financeiro se você desejar - e uma visão geral da situação atual.

A premissa é simples: você não pode chegar onde quer estar, se não souber onde está hoje, o que será necessário para chegar onde precisa e como chegar lá.

Um orçamento bem pensado, planejado e realista servirá como um roteiro para você chegar lá. É



uma ferramenta financeira que facilita seus sonhos, metas e aspirações financeiras, tornando-os realidade. O orçamento permitirá que você alcance suas metas financeiras e defina metas.

## **QUAL É O SEU STATUS FINANCEIRO ATUAL?**

Como você define o valor financeiro? É dinheiro no banco, poupança e contas correntes, RRSP, ações e carteira de investimentos?

Lembre-se de que tudo o que você tem é de valor. Todos os seus ativos fazem parte do seu quadro financeiro e da sua saúde. Pergunte a si mesmo: qual é o seu salário, depois das deduções? Como você é pago? É mensal, semanal, quinzenal? Então você precisa fazer um orçamento de acordo!

Pense em todas as outras fontes de renda, temporárias, sazonais, em período parcial - renda extra, dinheiro encontrado e bônus que você possa ter.

Talvez decidir deixá-lo totalmente fora do orçamento da sua família seja sábio e aconselhável? (nos aprofundaremos nessa questão um pouco mais tarde).

Tente encontrar maneiras de fazer sem alguns pequenos confortos e prazeres de criaturas para colher recompensas maiores depois.

Começando pequeno, cedo e agora, com disciplina e comprometimento, um ritmo e quantia constante e consistente todos os meses, acompanhando e otimizando fenômenos financeiros como 'juros compostos' (que descreveremos mais adiante), todos contribuirão para esse processo.

Vamos levar essa jornada ao orçamento juntos para ver como isso pode mudar vidas: ontem, hoje e amanhã!

Voltar para listar ativos e pensar em poupança: considere todos os bancos, poupança e empréstimos, contas de cooperativas de crédito, contas do mercado monetário, certificados de depósito, contas de clubes de Natal que você possa ter. **TODOS OS ATIVOS LÍQUIDOS** que podem ser facilmente transformados em dinheiro precisam ser incluídos.

Consolide contas se você tiver muitas contas espalhadas e economize em taxas bancárias.

Melhore o rastreamento dos gastos reais de maneira melhor e mais fácil. Ganhe mais interesse e tenha menos exposição a roubo ou fraude de identidade, controlando bem sua situação atual.

Para a maioria das pessoas e famílias, esse passo é uma revelação. Ele forma a base e a linha de base para análises e análises mais aprofundadas.

Outros ativos podem incluir coisas como: arte, metais preciosos, esculturas, pinturas, coleções, antiguidades, jóias e muito mais.

A maioria de nós está acostumada a ter um foco de curto prazo em dinheiro e orçamento. É necessária uma mudança de paradigma para nos levar a uma visão e um planejamento mais aprofundados e de maior alcance.

Estabeleça metas de curto, médio e longo prazo, tenha um plano estruturado definido, leia o orçamento familiar, as finanças pessoais e as estratégias de gestão fiscal. Tudo isso nos ajudará a focar no que é importante para nossas necessidades, exigências e circunstâncias, mantendo a disciplina financeira e o orçamento na vanguarda de nossas vidas ocupadas.

Esta nunca é uma tarefa fácil em meio a toda a agitação que é nossa vida diária!

A maior parte da literatura publicada sobre orçamento familiar, em geral, gira em torno de como sair da dívida, ficar fora da dívida e viver uma vida plena e próspera.

Alguns sugerem que a vida frugal é a resposta e oferece 'seu dinheiro ou perspectivas de sua vida', onde você não pode necessariamente ter os dois. Existem muitos exemplos que defendem a reforma mensal barata que se concentra em reduzir os custos das despesas e viver frugalmente.

Os provedores de mercado, on-line e off-line, oferecem vários kits de orçamento, que oferecem planilhas e muito mais, e há sempre as úteis notas Coles, como as de ponta, e o guia dos idiotas de bolso para viver com um orçamento.

Outras fontes se concentram em tornar-se totalmente livre de dívidas, protegendo sua vida, obtendo uma vida e escolhendo a simplicidade ou como lidar com as dívidas e despesas do cartão de crédito.

**Este guia "como fazer" é um pouco diferente.**

Optamos por adotar uma abordagem prática e prática do gerenciamento fiscal e dar os primeiros passos, percorrendo as etapas do orçamento e configurando-o, enviando-o, bom e bom, no caminho para um orçamento sólido em sua família e família. !

Isso nos leva à parte de quem, o quê, quando, onde, por que e como . Estes formam os elementos, sistemas e processos dinâmicos, interativos e interdependentes que formam o “orçamento familiar”.

Quem? Toda situação familiar é exclusivamente diferente e distinta. Não existe resposta e solução única para todos.

Algumas dicas deste guia podem se aplicar a seus meios e circunstâncias únicos e outras podem não ter nenhum impacto significativo ou aplicação prática.

Em termos gerais, você encontrará idéias úteis, dicas, etapas do processo, sugestões práticas de economia e orçamento que antes poderiam passar despercebidas.

As informações fornecidas são gerais e devem ser avaliadas de maneira individual e contextualizada. Lembre-se de consultar um consultor financeiro ao tomar decisões fiscais que possam afetar a saúde financeira, o bem-estar e o futuro de você e sua família estimada.

Também existem várias famílias em questão aqui: famílias com renda única, mães solteiras, mestiças e / ou extensas, famílias com renda dupla, mães que ficam em casa trabalhando meio período em casa para sobreviver, social- famílias apoiadas e / ou subsidiadas, famílias em risco, famílias divorciadas com responsabilidades parentais e financeiras compartilhadas, famílias endividadas ou com falência e muitas outras. Esperamos oferecer algo para todos.

O que? O orçamento familiar é um processo estruturado e uma atividade de planejamento, que trata dos recursos financeiros e do contexto de uma família.

Essa abordagem prática coloca os itens de despesa em categorias como outra estratégia útil. Isso é feito para lidar melhor com a situação atual e oferece uma espécie de verificação da realidade para a maioria dos que optam por realizar essa jornada.

Algumas das categorias podem ser:

- Obrigações - liste cada item sob os títulos como: casa: hipoteca ou aluguel; taxas de associação e taxas profissionais; seguro: saúde, automóvel, casa, locatários e vida; ensino, creche; empréstimos: empréstimo de carro, empréstimo de estudante, taxas

bancárias e juros; impostos, impostos sobre a propriedade e assim por diante.

- Necessidades - liste novamente cada item em itens como: alimentos, mantimentos, gás, manutenção de pátios, segurança, controle de pragas, serviços públicos: gás, água, energia elétrica, lixo, esgoto; almoços escolares, suprimentos domésticos, manutenção de carros, estacionamento mensal, governanta, reparos domésticos, serviço de internet, lavagem a seco, TV a cabo e muito mais.
- Despesas de bolso - trate isso como uma categoria completa, cobrindo: almoço no trabalho, lanches, refrigerantes, café, bebidas, estacionamento, pedágios, jornais, revistas, baterias, porte, remessa, correio.
- Auxílios familiares - outra categoria inteira, incluindo itens como: festas entretenimento, passeios de fim de semana, filmes, shows, outros entretenimentos e eventos, melhorias e decoração de casas, revistas e outras assinaturas, restaurantes e fast food, móveis
- Subsídios pessoais - roupas, passatempos, recreação pessoal, livros, CDs, manicure, cabelo, alterações, conserto de calçados, presentes pessoais, bagagem, sair à noite com amigos, jardinagem, filmes, processamento, aluguel de vídeos, esportes / lazer, presentes para a família, contribuições, doações, software e outros itens relacionados.

Quando e onde? Por uma questão de brevidade, combinamos as próximas duas facetas. Nossa melhor avaliação para responder quando e onde seria o melhor local e horário para iniciar um orçamento familiar seria responder inequivocamente: AQUI E AGORA!

Exige atenção, pois afeta diretamente nossa vida cotidiana e bem-estar. Sem demora, hesitação ou adiamento, precisamos intensificar e proteger nosso interesse familiar, saúde financeira e futuro.

Contabilidade traz responsabilidade! Um guru de gerenciamento de patrimônio é frequentemente citado como dizendo. Isso soa tão verdadeiro. É difícil ignorar, se somos confrontados com fatos financeiros objetivos e frios que nos dizem que estamos com problemas.

Por que orçamento? As famílias, como mencionado anteriormente, têm diversas razões e motivações para o orçamento. Resumidamente, as pessoas fazem um orçamento por duas razões:

- Para obter o controle de sua vida financeira, contas e gastos mensais
- Esteja preparado e evite surpresas
- Economize para uma grande compra
- Opte por um círculo vicioso de dívidas sempre em espiral ou gaste agora - pensar mais tarde

- Expandir seu estilo de vida (s) Se
- aposentar mais cedo
- Eliminar dinheiro como fonte de tensão e tópico de discussão
- Redescubra que as melhores coisas da vida são GRATUITAS!
- Tornar-se autossuficiente e capacitado para saber que a dívida não governa mais suas vidas!

Prometemos ainda mais sobre isso um pouco mais tarde!

### **Orçamentos da família definidos**

Como fazer o orçamento? Algumas estratégias gerais são úteis para ajudar as famílias a estabelecer um orçamento ou um orçamento melhor.

- O primeiro passo significativo é o de mudar o seu pensamento sobre dinheiro, mudar a sua atitude para com os gastos, realmente se concentrar em poupar dinheiro, planejar com antecedência e dirigir para o sucesso
- Desenvolver uma consciência maior de como você ganhar, gerenciar, poupar e gastardinheiro
- conscienciade como outros o fariam atrair, seduzir e querer que você gaste seu dinheiro (anunciantes, varejistas e fabricantes)
- Para parar de participar e jogar o “jogo do Acompanhamento do Jones”, vivendo com um falso senso de riqueza e segurança, enquanto estendendo seus recursos financeiros e pessoais, além de seus meios. Não inveje os outros e anseie por coisas que eles possam ter ou, pior ainda, endividar-se mais para competir ou manter as aparências. É contraproducente e pode arruinar vidas!
- Atraso nas compras - aprenda e faça, às vezes sem ter que comprar!
- Defina metas financeiras e orçamentárias sólidas para você e sua família, nas quais você pode trabalhar individual e coletivamente, para atingir juntos.
- Estabeleça limites de gastos e despesas
- cumpra-Não faça face àutilizando cartões de crédito, fique longe de caixas eletrônicos, dinheiro, adiantamentos em dinheiro. não trair seu orçamento

- Entenda sua renda - saiba de onde vem o dinheiro e como varia ao longo do ciclo de um ano
- Entenda suas despesas - mensais e irregulares, despesas inesperadas
- Defina algumas metas financeiras realistas
- Conheça seus próprios hábitos, gastos, tentações e onde estão as áreas de risco e exposição.
- Configure mecanismos de poupança e gasto que funcionem, reservem e aumentem as contas e tenham o número certo de cartões de crédito
- Faça um plano de renda - os detalhes são importantes
- Planeje suas obrigações e pague - analise contas de grande porte com contas de reserva
- Planeje suas necessidades maneiras de economizar
- Reserve um dinheiro para diárias
- despesas Crie um subsídio familiar para cobrir o entretenimento
- Crie um subsídio pessoal
- Equilibre e consolide decisões e trocas sábias - concorde e cumpra-o
- Viva feliz com um orçamento
- Bem-vindo ao modo de vida econômico! Reduzindo as despesas de moradia - as alternativas para uma vida simples
- reexaminam por que você trabalha e como vive
- pára de jogar fora seu dinheiro suado,
- compras, excesso de trabalho, estresse e dívidas (alguns se referem a isso como uma doença provocada: 'Afluenza'!)
- comemore quando você tiver dinheiro sobrando no final do mês - desfrute um pouco e se recompense - paciência e persistência gratificantes! Não apenas fazer o bem e cumpri-lo

**'Como estabelecer um orçamento familiar'**, está defendendo um novo código de honra fiscal para nossas famílias, por assim dizer. Propõe orçamentos familiares, que pedem sabedoria (melhores escolhas e decisões), disciplina (aderindo a ela), honestidade (sem trapaça), persistência e celebração quando fazemos o que é certo!

## **A JUSTIFICAÇÃO E O PROCESSO DE ORÇAMENTO**

Aqui estão doze boas razões para você começar:

### **1. Os orçamentos familiares são usados como linha de base, ferramenta de análise e roteiro.**

É uma ferramenta e um guia úteis. Indica se você está indo na direção em que deseja estar financeiramente. Ele ajuda você a passar dos gastos para a economia e um bom equilíbrio fiscal, gerenciamento e responsabilidade.

Você pode ter objetivos e sonhos, mas se você não estabelecer diretrizes para alcançá-los e não medir seu progresso, poderá acabar indo tão longe na direção errada que nunca poderá voltar. Você pode imaginar o governo ou uma grande corporação operando sem orçamento? Não, e você também não deveria.

**2. É frequentemente descrito e justificado como um capacitador capacitador.** Um orçamento permite que você controle seu dinheiro em vez de controlar seu dinheiro.

3. Um orçamento é **uma estimativa realista e verdadeiro reflexo das circunstâncias e meios atuais, um tipo de análise da situação financeira** que lhe dirá se você está vivendo dentro do seu meio. Antes do uso generalizado de cartões de crédito, você poderia dizer se estava morando dentro do seu meio, porque havia dinheiro sobrando depois de pagar todas as suas contas.

Existem muitas ferramentas de orçamento familiar disponíveis on-line que o tornam uma tarefa e atividade divertida e agradável para avaliar e analisar a situação financeira de sua família com o mínimo esforço. ([www.MoneyPants.comdeles](http://www.MoneyPants.comdeles))

Também há muitos softwares financeiros gratuitos e a maioria é configurada com facilidade e fornece um orçamento familiar detalhado on-line. Ele gerencia suas finanças, sem complicações e quase sem esforço.

Bem, quase! Isso exigirá entrada e esforço mínimo por meio do envolvimento prático na configuração, preenchimento, manutenção e edição. [Mvelopes.com](http://Mvelopes.com) é um bom exemplo de ofertas de mercado disponíveis sem nenhum custo para você, apenas esperando o orçamento familiar motivado para abraçar e experimentar!

Alguns sites oferecem boletins financeiros gratuitos por e-mail, com muitas dicas de economia de dinheiro, conselhos sobre orçamento e outras informações financeiras pessoais e familiares relevantes ([www.planabudget.com](http://www.planabudget.com)).

A disponibilidade, acessibilidade, mercado virtual, facilidade de uso e mais de **cartões de crédito** tornaram a necessidade de orçamentos familiares muito menos óbvia. Muitas pessoas nem percebem que estão vivendo muito além de seus recursos até estarem endividadas, lutando para sobreviver e afundando rapidamente em águas financeiras turvas.

Orçar é e pode ser uma poupança de vida e dinheiro, uma verificação da realidade, MAS **TAMBÉM** um remédio!

4. **Um orçamento pode ajudá-lo a atingir suas metas de economia.** Inclui um mecanismo para reservar dinheiro para poupanças e investimentos.
5. **Seguir um orçamento realista libera dinheiro de sobra** para que você possa usar seu dinheiro nas coisas que realmente importam para você, em vez de desperdiçar o dinheiro em coisas que nem se lembra de comprar.
6. Um orçamento **ajuda toda a sua família a se concentrar em objetivos comuns.** É unificar as famílias em propósito e esforço mútuos, trabalhando juntos para obter resultados e recompensas bem-sucedidos.
7. Um orçamento **ajuda você a se preparar para emergências ou despesas grandes ou imprevistas** que, de outra forma, poderiam prejudicar você financeiramente.
8. Um orçamento **pode melhorar seu casamento.** Um bom orçamento não é apenas um plano de gastos; é uma ferramenta de comunicação. Feito corretamente, um orçamento pode aproximar vocês dois ao identificar e trabalhar em direção a objetivos comuns e reduzir os argumentos sobre dinheiro.
9. Um orçamento **revela áreas nas quais você está gastando muito dinheiro**, para que possa se concentrar novamente em seus objetivos mais importantes.
10. Um orçamento pode **mantê-lo fora da dívida ou ajudá-lo a sair da dívida.**
11. Um orçamento realmente **cria dinheiro extra para você usar nas coisas que são importantes para você.**
12. Um orçamento **ajuda a dormir melhor à noite**, porque você não fica acordado, preocupado com a forma como vai sobreviver.

No entanto, apesar de todas essas maravilhosas razões citadas acima, as pessoas ainda hesitam em se comprometer com o orçamento familiar como prática padrão em suas famílias. Podemos novamente querer investigar um pouco mais ainda e perguntar por quê?

### **PRINCIPAIS TRÊS CAUSAS DE FALHA ORÇAMENTAL**

Muitas pessoas fazem uma tentativa honesta de orçar, mas ficam desencorajadas e desistem antes de conseguirem qualquer ganho financeiro significativo. As três principais causas de falha no orçamento entram em ação antes mesmo de você começar a configurar seu orçamento. A conscientização desses imbecis do orçamento é sua primeira linha de defesa na Batalha do Orçamento.

#### *Orçamento Buster # 1 - Atitude Negativa*

Não pode ser enfatizado o suficiente - uma atitude positiva sobre o orçamento é essencial para o



seu sucesso. Se você pensa em orçar em termos negativos (como dieta financeira, algemas financeiras, restrições, beliscões, sacrifícios etc.), certamente falhará, a menos que seja um mártir ou um masoquista que encontra alguma recompensa estranha em uma experiência de punição. Para os fins deste artigo, presumiremos que você não seja.

Uma atitude positiva significa que você pensa em um orçamento como um meio para atingir um fim - uma maneira de alcançar seus sonhos e objetivos - e que adiar a gratificação instantânea de gastar todo o dinheiro que você ganha vale as recompensas que você receberá no final .

### *Orçamento Buster # 2 - Falta de Motivação*

Qual é a sua motivação para o orçamento? Você está tentando apaziguar um cônjuge irritante? Seguindo os termos de um plano de pagamento de dívidas com uma agência de aconselhamento ao crédito ao consumidor? Cumprir um acordo firmado no tribunal de falências? Essas não são más motivações, mas são pressões externas e provavelmente não serão fáceis de manter ao longo do tempo. As melhores motivações são geradas internamente: você acredita sinceramente que o orçamento pode ajudá-lo a atingir seus objetivos?

Se você precisar de uma pequena ajuda no departamento de motivação, consulte "Doze razões pelas quais o orçamento pode melhorar sua vida". Uma rápida releitura dessas certamente inspirará e acenderá uma ou duas motivações!

### *Buster do orçamento nº 3 - Expectativas irrealistas*

O que você espera obter com a instituição e o acompanhamento de um orçamento? Você acha que a criação de um orçamento revelará grandes quantidades de dinheiro oculto ou que a fada do orçamento espalhará poeira de fadas sobre o seu orçamento e transformará magicamente seus hábitos de gastos após um mês ou dois de despesas de rastreamento?

A realidade é que o orçamento é um evento de resistência - aqueles que se apegam a ele, de maneira espessa e fina, sairão à frente financeiramente. Não espere milagres. O que você verá se seguir o progresso constante e mensurável em direção às metas que realmente importam para você.

Iniciar um orçamento sem ter uma atitude positiva, motivação interna e expectativas realistas provavelmente o preparará para o fracasso. Você pode aumentar bastante suas chances de sucesso excluindo os três maiores imbecis do orçamento antes mesmo de começar.

Orçamento familiar - apenas o pensamento disso faz a maioria de nós se encolher. No entanto, na

maioria das vezes, tentamos restringir nossos gastos e viver de acordo com nossos meios. Outros caem em maus hábitos, em padrões habituais de gastos ou em compras por impulso e se superestimam, aterrissando em dívidas!

Ironicamente, um dos primeiros remédios para qualquer estratégia de consolidação ou reparo de dívidas é **dar uma longa olhada nos padrões orçamentários e financeiros da família! É quase como executar um diagnóstico.**

**Para observar melhor, você está efetivamente colocando os dólares da sua família sob uma lupa e um microscópio. Isso pode ser desafiador e doloroso para a maioria das pessoas. Esperamos aliviar parte desse desconforto e apreensão iniciais com este guia e dicas passo a passo.**

A maioria dos consultores financeiros lhe dirá que você precisa se recompensar por boa responsabilidade fiscal, disciplina e hábitos, para aumentar seus níveis de motivação e sucesso.

O orçamento é o primeiro passo, mantendo-se fiel a ele, um segundo próximo e a recompensa às vezes esquecida, mas sempre importante, para manter a motivação! Repetir e continuar a experimentar os benefícios do ciclo orçamentário e da disciplina pode ser uma batalha difícil, mas há mares mais calmos pela frente.

Gerenciamento de caixa, economia, planejamento de aposentadoria, estabelecimento de metas financeiras etc. ativos e práticos estão se tornando cada vez mais importantes para a sobrevivência e o bem-estar de nossas famílias em todos os lugares.

Seja o seu melhor especialista, com novas idéias sobre como economizar, orçar melhor e gastar menos! Suas estratégias únicas resultam de uma compreensão profunda de sua própria situação, demandas e necessidades. Descubra quais dicas e idéias funcionam melhor para você. Afinal, o gerenciamento e as finanças fiscais definitivamente não são um ambiente de solução única. É pessoal, personalizado e único.

Na seção a seguir, faremos uma breve referência ao orçamento familiar definido e examinaremos alguns de seus elementos e critérios, propósito e funções.

- O que é um orçamento familiar?
- O que constitui um bom orçamento familiar?
- Como deve conter e se parecer?

**Qual é o orçamento da família novamente?** É uma abordagem pró-ativa, prática, focada, técnica e disciplinada para lidar com a situação financeira atual em casa e na família.

Trata-se de estabelecer metas financeiras SMART realistas para a família, cumprindo-a, comemorando sucessos, aprendendo com as falhas e tentando novamente se você não obtiver êxito ou acertar na primeira vez. Trata-se de mudar completamente o foco de uma orientação principalmente de gastos para uma orientação de economia. Dinheiro e gestão de dinheiro 101 para todos!

Estabelecemos o que um orçamento familiar é, faz e afeta. A seguir, é apresentada uma breve menção do que constitui um bom orçamento familiar e dos elementos que ele contém, além de sua aparência, formato e função.

**Todos nós temos uma lista de desejos de coisas novas que queremos.** There is always things we would find and places to spend our money. Take the time to make a list of these things. Let everyone who shares cost in your home to have input into making and finalizing this list. Write down what you want most. Beside the goal, write how much it will cost. Split it into goals with ongoing costs and the cost per month, and goals with a one-time cost and list the actual total cost (including all hidden fees, taxes, shipping and or other charges that might apply. Now, next to these columns, start to prioritize these goals.

Which goal comes first? You need to decide which goal on your list should come first. Talk this over with the other members of your family. If you live alone, think it over yourself. Try to list your top four goals and decide what you can fit into your budget.

A 'good' budget is in the eyes of the creator or beholder alike! Some suggested, but by no means comprehensive criteria follows:

- Budget is both process and product
- Collaborative, engaged, hands-on effort
- Characterized by communication and mutual agreement
- It advocates involvement and exchange
- It is real-time and reality-based
- Factual
- Accurate
- A financial check-up and check-in on the family finances, household dollars, situations, behaviors, and resources.
- An action- plan, future-oriented

- Offers a peak into the past, scrutinizes and enlightens the present, while planning and promising a future
- Goal and results oriented

## **The Family Budget Process**

**This brings us to the family budget process. We might ask questions like:**

- How to set up a family budget?
- How should a family budget be used?

Insights around the tools and techniques of family budgeting could also be useful:

- Practical suggestions for setting up a budget?
- A step-by-step summary of a family budget process
- Hints, tips, tricks and tools for setting up a family budget

**Stay tuned for more...**

**To get us started and in order to set up a monthly budget, follow these five easy steps:**

Step one: find out your monthly take-home pay

Step two: find out what your expenses are

Step three: find out how much you spend on each expense

Step four: see if your monthly expenses match monthly take-home pay

Step five: Balance your budget. This means in your family budget you need to ensure that you are spending matches take-home pay. It might indicate that you have to cut back on spending to balance.

It sounds too good to be true and too simplistic. However, in the end, that is all there is to this family budgeting process! Initially at least. Let us look at these steps one at a time.

- **Finding out your monthly take-home pay**

Your income is your pay, after some money is deducted. Think taxes, insurance and Social Security. Answer the following questions:

What is your monthly take-home pay? Do other people share expenses in your home?

As mentioned before, total all of the households' monthly take-home pay. This will include all sources of income for all contributing members of the household.

- **Finding out what your expenses are**

This brings up other pressing questions:

What are your monthly expenses? Where does the money in fact go every month?

Most people are surprised to learn that it may go for things that we do not need at all. Writing your expenditures down provides us with the unique opportunity to visualize and find out if any money goes for things that we do not need or want.

**Here is a short list of expenses that many people have.** Put a check mark next to ones you have, then write down any expenses you have, that are not on the list.

- Necessities like food
- Clothes laundry dry-cleaning
- Car and transportation expenses: gas, oil, parking, license, plates, car repair, train fare or bus fare

- Rent, mortgage payments, heat, electricity, phone, water, property taxes, house repair, appliance and repair, furniture, small items for home, cleaning supplies on the yard care,
- Medical and dental expenses: doctor, dentist, drugs, hospital or clinic.
- Savings: short to medium term for something soon, a future purchase, emergencies, investments.
- Installment payments: car, furniture, appliances, charge accounts, credit card accounts, loans.
- Pocket money, personal allowances, tobacco, beer, wine and hair care.
- Entertainment, movies and eating out Recreation, sports and equipment, club membership, newspaper, magazines, cable TV, records and tapes, DVDs videos and other multimedia, vacation, letters and postage.
- School bills, books, room and board at school, workshops, special training courses, lessons, music and more.
- Donations: church or synagogue, charitable giving, charities, other and gifts
- Insurance: (if not deducted from your pay check): life, health, house, car and property
- Taxes: (if not deducted from your pay check): Federal, state and local income, social security

Which other ones could you list ?

- **Finding out how much you actually spend on each expense**

This is the hard part, where some thought and effort will have to go into the process to ensure the most accurate information is recorded. This will give a realistic and real-time estimate that is reliable and accurate.

In this section, you need to ask yourself how much each item on your list actually costs how much each item costs you a month.

The following estimates and guidelines could prove helpful to you as you set up your family budget:

- Monthly bills that stay the same – car and rental payments
- Monthly bills that change – utilities, phones and more. Find costs per month for say six months, add them up. Take this number you have calculated and divide it by six (the amount of months) to get your average cost. This is the number you will be using for your budgetary exercise.
- Bills that come every three or six months – the number for every month will be used in your budgetary process.
- Bills that come annually, meaning once a year – divide the amount by 12 months. The answer is your monthly budget number.
- Bills that come more than once a month – food, gas, lunch and family fun. This is a category to watch very closely, as it is a contributor to this “bottomless pit”, we sometimes feel and see our cash disappear into.
- Unexpected expenditures or surprise bills – what you can afford to set aside as a buffer or emergency, contingency fund - (look at the last three years or so and see what kind of unexpected expenses you and your family faced). Use an estimate that makes sense to you and divide the annual number by twelve months to get your monthly number.
- **Finding out if monthly expenses match monthly take-home pay**

Compare your total expenses with your take-home pay. A couple of results and scenarios could be staring you in the face:

Positive result: Income more than expense – you can either spend or save!

Negative result: Expense more than income – spending more than you have, you might have to

cut costs and try to save some money to cover the bases!

Whichever of these outcomes you are faced with, knowing is better than not knowing. For some this might bring little comfort and relief, but people in general, find this exercise useful to make an unknown more measurable. It makes us both accountable and wanting to act, faster and that sense of urgency and momentum is just what the family budget process needs!

- **Finding ways to balance your budget**

Earlier it was stated that a good budget would mean income would be equal to expenses. Having a small surplus is no guarantee by any means. You might need this to cover an unexpected rise in oil and gas prices or a larger grocery bill due to a party you are hosting at home.

This almost brings the concept home of a sliding scale, flexibility and discretionary buffer categories in budgets to absorb this give-and-take roller-coaster ride that is family budgeting.

The good news is whether you are in the red so to speak or just scraping by, managing to save nothing or maybe a little, or even a lot, this process will highlight areas where your attention is needed right away. It gives direction and purpose and assists families to formulate their spending plans, goals, re-visit their needs, dreams and goals.

Balancing the budget is no easy task. Here are a few steps that we can suggest to make your life a little easier:

- Find out how much you need to cut from your expenses
- Decide you can make cuts in your expenses and be detailed
- Re-balance your income and expenses after you've made these cuts

A word to the wise: Do not make cuts in your budget that you cannot live with in real life. It is extremely important to remain realistic and keep your real-time expenses and living realities in the forefront of your mind when you make these decisions.

If you're getting out of a situation where you are in debt and short of cash, you have to try to curb spending any way you can. Cutting those expenses are crucial, not only because you are over budget.



We mean that there might be other reasons, like adding a budget-line to your overall planning for your family vacation. Realistically, we cannot add and address new needs and goals before we have fulfilled our duty and responsibilities.

Cutting a little here and there will mostly do the trick – cancel that newspaper subscription for the papers that just land in the recycle box or garbage anyway. Do you need all the specialty channels and packages on your Cable TV options? Can you live with giving some up?

There is always the specter of rising prices and interest rates, inflation and more to cope with as well, so building preparedness for that into your budget is also a priority. Whatever we can do to cut our costs and expenditure will benefit our pocketbooks and family budgets immensely!

Cutting back on things you need the least is a good starting point if you are at a total loss as to what and how to give something up, add a new line into your budget or plan for the future or inevitabilities. You are well on your way in the family budgeting process. You are doing it, every step of the way. Consolidate and re-visit your budget often – it is a dynamic process and 'living' document or tools so to speak to help you keep your fingers on the pulse of your financial situation.

Another useful strategy is to set up a bill-paying plan and process that will protect your interest. When, how and how much you get paid will all influence your course of action. Creative and innovative allocation of your paycheck is the key.

If you get paid once a month, the amounts in your budget will have to be paid monthly as is.

If you get paid twice a month, divide each budget item by two.

If paid bi-weekly (as is mostly the practice these days), still divide the monthly amount by two – it will not be the exact amount to plan for, but a rough and close estimate. In the end better than nothing!

If you are paid weekly, divide each budget item into 4. Cash flow management will form a big part of your fiscal strategy, once you have put your budget pen to paper and mapped out the needs and requirements. Utilize your cash, checking and savings account (if applicable) to pay for expenses. Do not pay your bills with your credit card!

Keep track of all your discretionary spending. A financial diary for a week is always a good idea to scribble down in every time you withdraw money, pay for something or open your purse without thinking.

This will provide you with insights you did not have before on where the money actually goes. It will also carry within it, clues to adjust budget lines if actual cost is higher on certain items. Spending patterns and behaviors will emerge that might surprise or shock you!

Having some wiggle-room and discretionary spending is always motivation. The occasional treat and indulgence, special night out or other family activity is that more enjoyable, if you know you have worked hard to earn it and deserve a pat on the back for all your fiscal responsibility and discipline!

Always keep one eye on the future folks... budgets might need to change again and again for a variety of reasons. You can never feel you have “arrived” completely and that your budget is set in stone. Family and life often throws us a curve ball or two, banks, service providers, government and fate sometimes do too!

Changing budgets should not be a source of frustration for you; it actually shows you that your family budgeting process is actually working. It is a real-time pulse and mechanism to capture these changes, which will leave you prepared and informed, ready to act and respond appropriately. This impetus for change can come from different sources.

Here are some examples:

Change of income, goals, rising prices, goals reached, family growing, moving and or relocating to a new place, family getting smaller, new spending habits, change in lifestyle or unplanned expenses.

If you can stick with it and see it through a family budget can help you meet your goals, get and stay out of debt, pay your bills on time, every time, keep track of your spending, cut costs and stretch your dollar to the max!

## **HINTS, TIPS, TOOLS AND TRICKS FOR SETTING UP A FAMILY BUDGET**

**“Creating a budget” captures in its expression and meaning, both the excitement and the apprehension most of us feel when we have to face our financial situation and or lack of planning and accountability in that area.**

Most businesses would fail if they ran like we manage our household incomes sometimes. This is not a natural thing for people to want to do. It falls into that 'I will if I really have no choice' kind of categories.

However, worth mentioning is that we spend most of our waking hours at work, earning the cash we need to get by and cover our living expenses. Then, we do not take the time to plan what to do with it. We just respond, spend and move on, spiraling, circling around, aimlessly and oblivious mostly about the state of our financial affairs.

This is obviously not true for some of us, for whom planning and organizing comes naturally and budgeting is like second nature and breathing, we just do not think about it, get it done and then barely spare it a second thought. Both these types of approaches can hurt us in the long run.

Our society has also become so fast-paced and focused on success, that we sometimes lose sight of the future perspective, enjoying life and what we do have. We cannot really focus on our own financials for lots of “excuses”, sorry reasons we provide like: trouble slowing down, taking a step back and evaluating our financial situations or not knowing how to set up a family budget.

**One of the first hints or tips we provide is advocating fiscal awareness.** This means evaluating openly, freely and honestly where things are at today for your finances and household.

The whole purpose and goal of creating or setting up a family budget is to enlighten and alleviate money pressures. Utilizing a tool that can assist you in getting back onto the road to financial freedom, fiscal responsibility and financial, budgetary health, positive cash flow, with money to spare would be the ideal work-tool to grasp and grab! As the previous pages have shown the process in itself is not altogether that difficult.

You can certainly see how this real-time, 'dollar and expenditure tracker' can assist you to be agile and respond to market, family and monetary pressure, changes and crises. Continue to

revise and update your budget as your needs, family and circumstances change.

Money is such a daily necessity and ever-present in our comings and goings. There is no escaping it. It is everywhere and needed anywhere and all over. We have different currencies, structures, procedures and all around the world, but in the end, it is the currency that makes the world go round, fueling the global economy.

Seen from that perspective, we often feel that taking control of our own finances and expenditures will not have much of an impact, as we are all at the mercy of the wheels and gear of a churning economical machine, with government and banking rules, regulations, trade and principles, ethics and decision-making that affects our quality of life. However, this is simply not the case!

Good money management skills in the household is crucial, not only for survival and good financial state of affairs, it teaches our children how we think handling money should be taken care of. They watch us so closely.

We model certain behaviors, spending patterns, discipline or maybe throwing all caution to the wind with credit card spending, debt and reminder notices all over the house, creditors calling, afraid to walk to the mailbox to remove the bills, and more.

What chance do our children have to end up entangled in that spiraling and vicious circle we spoke about earlier? Money in, money out?

How do we get to the point where family budgeting is a learning tool to help us teach our kids to work better with their funds? Whether through allowances, mutual savings goals, their own account or more, as parents we have an opportunity to instill some solid financial skills early on in life that will assist them later, as they work toward their independence and family budgets of their own!

Do some of your own soul-searching before you start your budgeting process. How motivated are you to plan, set-up and stick to a family budget? Would you do it now? Today? If you knew how?

Then let us get started, together. There are lots of practical suggestions for setting up a family or

household budget. We will never be able to cover them or the mechanics and intricacies all here at once. You will however continue to find in these pages valuable insights and tit-bits to help you pursue better fiscal management and cash flow, budgeting in general.

**It is all about making your dollar go further. Investing in the time and effort that it will take to get to that point of greater financial security and possibly even have a surplus eventually!**

1: Take stock and face the facts head-on, honestly and with serious commitment, drive and purpose. Assessing your own capital worth and analyzing your home life and situation from a financial perspective is of utmost importance.

2: Plot your own course. Formulate some financial goals and lay out your own roadmap on how to get where you need and want to be financially speaking.

3: Take a thorough, critical and factual look at your fiscal situation and status. Unbiased and honest is best. Get a most recent credit report and look over your bank and credit cards statements, tax returns and other financial sources of information: stock portfolio, RRSP's and more.

Get a financial planner to assist you if you are unsure about what to use and include or not in this assessment. You might also want to take a broader perspective and discuss retirement, priorities, insurance needs, will and testament and more, because, like financials, we never seem to take these crucial life planning tasks and to do very seriously and barely give them second thought or time of day! The time is now and the place is here to take control of your financial situation and life.

4: Committing the time and effort to build your financial action and spending plan, budget and goals should get priority and might just be the most valuable undertaking and time well spent, not wasted you might ever set aside!

5: Think of how you define your own financial worth. Reflect on what it is, what you base it on. Is it concrete data and fact, perception or maybe even a wild guess or estimate? Income, savings and all of your other assets work together to give you the whole fiscal picture.

This side of the balance sheet for most people remains fixed and is relatively easy to do, when they put their minds to it.

6: Always remember that this process and document known as a family budget is only going to be as good as the data and updates you provide! When acquiring new assets, ensure that this side of the balance sheet is strengthened appropriately!

7: Adjust your focus slightly to more in-depth and longer term. We live so much in the moment, especially if we purchase things or spend our money. We just look at the cost today and do not think of interest over time and this being the total cost of course.

8: Actually setting financial goals will also energize you, give you a reason to work towards something meaningful. You might even start to enjoy uncovering opportunities for frugal choices, 'penny-pinching' and what we prefer to call creative savings techniques!

9: Become financially literate and master the family budget process, tools and worksheets, spending logs. Demystify some of the complexities and just try some fiscal responsibilities, without being overwhelmed by the intricacies of calculations and more.

Remember, there is always professional help out there, once you have gotten started, completed the grunt and groundwork to move in and on to a comprehensive consultation with a personal, professional financial planner, who can explain the lay of the land, impact of your situation and plan in more detail.

Most of them will offer the first consultation free to assess your situation for you. Most of them utilize state-of-the-art software and technology industry-related and customized tools that shed light on even the darkest situation, to find a little ray of hope and a couple of dollar at the end of the tunnel. There is a way out of the abyss.

10: Family budgeting can be used to teach you good fiscal habits: get in the habit of paying in cash, using your credit cards only for emergencies.

Learn how to stop buying on impulse and use your willpower to walk away, say no thank you and leave it at that. Shop at wholesale and discount department stores. Respect your budget limits and stick to it. Buy generic medicine and support your discount pharmacy.

Always try to find ways to supplement your income, part-time jobs, your own business or rent a room or floor in your house, offer storage, invest in real estate and take in a boarder or tenant.

Turn your thermostat way down in your house and turn off a few lights. Winterize your house from top to bottom. Eliminate and treat areas where heat and energy is lost. Cut back on home and cell phone use. Check insurance policies shop around and raise your deductible to lower your monthly bill.

In isolation, these probably do not have a lot of impact individually, but when they are combining in a well-planned, cleverly executed family budget, with discipline and consistency, they will start to make a difference and you will start to see the benefits and impact on your bottom line.

11: A family budget is a learning tool and process to empower individuals and families to better self-manage their financial resources, spending, cost cutting and household finances. In general You will be able to set-up your own personal or family budget.

By tackling the skill and mastery of smart budgeting, you will have a greater understanding eventually of exactly where and by how much, you need to **adjust expenses to either live within your means or know how much extra you need to maintain your current lifestyle.**

12: Other family budgeting process steps will require you to be able to identify and categorize all your expenses and, coupled with an easy to set-up and follow filing system, create the backdrop and framework for all future budgeting and fiscal planning at home or elsewhere.

13: Family budgeting is not something that is taught by parents or schools; however it is such a simplistic concept, process and task that it is almost unthinkable that we are not placing greater focus on it these days.

In the end, it is all about what you DO, to make ends meet, which implies action. To be in charge

of your finances; family budgeting gives you a sense of real understanding and control over your money, not the other way around. Money is a 'tool' and life necessity but it does not prescribe how you should live or spend it.

14: Family budgets allow you to gain knowledge you would otherwise not have had at your fingertips, concerning your own and family finances.

For example: Knowing where and what expenses you can affect or effectively change, to cut costs appropriately, timely and immediately in certain cases is very helpful.

15: To enable your family budgeting process set up an easy and orderly log, record-keeping and filing system; and make spending notes often to track your money and habits. Trust me, we do not know where all our money goes. We are just certain of one thing and that it slips through out fingers, hands and pockets, cards and plastic, fast!

16: Understanding, explaining and sharing the benefits of good budgeting with others is pivotal, to get them on-board and participating actively in the family budgeting process. Ask for their ideas and input. Two heads are better than one in most cases. They might think of savings opportunity, consolidations and or things to do without, that you did not even think about or considered for a second!

17: Here are some more family budgeting summary steps to remember:

- Identify and categorize all expenses – look at categories and line items, types and timing of expenses, amounts and budget accordingly. Remember categories like miscellaneous, discretionary, maintenance, emergency and others. These will also provide you with a little more flexibility when you do have to massage your money, budget and cash flow processes to meet need, demands and change.
- It is of utmost importance that we are able as family budgeters to allocate and adjust expense items, prioritize need with foresight, discretion, informed choice and empowered confidence, stemming from core and in-depth knowledge and accurate information.
- Practice utilizing a basic budgeting framework and recording method in your family budgeting and formulate your very own personal and or simple 'Home Budget' or rough



first draft of your financial situation – a kind of YOU ARE HERE situational analysis. Chances are you will see and learn something you did not know before.

- Even if you feel you just have a basic understanding of budgeting and how it can improve your own management of your own and household finances will make a difference. Take the time out to explore and try putting your first one together, following the steps given earlier in this booklet.

This guide and its content, will appeal to almost anybody:

- anyone who recognizes the need to budget;
  - those who have never or not yet learnt how to budget;
  - individuals or groups who are looking for a first-step debt-consolidation strategy and technique,
  - someone who has come into some money through a lottery, casino win, gift or inheritance and want to ensure they know how to budget properly before they start spending left, right and centre.
  - It is good for moms , dads, grandparents, children, friends and families to do.
  - It fosters independence and fiscal responsibility, accountability and stewardship.
  - Even those with reasonable income, now receiving less, will find some answers here.
  - The one who needs to understand expenses that need to be adjusted; and
  - even those who prefer to feel and be in control of their expenses.
- 
- Family budgeting enables them to be in the position to know where they need to modify their lifestyle and make significant adjustments to ensure a bright and happy financial future.

Some of the most important process elements and content pieces of family budgeting to read more about, study, learn and practice, hone and refine are:

- A fundamental understanding of the principles, merits and mechanics of budgeting and the budgeting process itself. All the process steps to get your through the journey and to the resulting document, tool or magic numbers!
- Distinguish between fixed, variable and discretionary expenditure(s)
- Identify and categorize all expenses, breaking them into categories and line items, time-

frames, other detailed sub-classifications and clustering;

- How to set-up housekeeping budgets and what to consider
- Identifying hidden expenses
- Identifying areas of discretionary spending, habits and perhaps over-spending risk areas
- Setting up expenditure recording systems
- Decide on the best way suitable for you and your family to monitor what you spend
- Set-up a very basic Home/Personal Budget Filing System
- Any calculations, formulas and budget principles you think will help you maximize and optimize your cash flow and money-management

Another great way to learn about family budgeting is to ask around and to learn from others. With the internet at our disposal, there are numerous reliable sources of practical, tried, tested and true tips, strategies and techniques to follow. We selected but a few to provide a sample. Never underestimate the power of a shared experience!

Sometimes exploring a financial activity like family budgeting conceptually is not enough. Getting a practical perspective, with some hands-on tips can be more meaningful than a close description or analysis.

There are lots of definitions, opinions and numerous books have been written on the subject of budgeting for families, by families and others. In our information-age, knowledge is power these days and lots of parents and professionals share and voice their opinions openly on the internet, sharing and growing the body of knowledge. We selected a few examples to encourage others to explore these at their leisure as well.

Here are ELEVEN more practical suggestions and tips from online users posted on the internet on family budgeting:

1. Keep a record book as well as your bankbook

It takes time and requires a lot of self-discipline. Start each month with the balance and enter every payment, etc in advance, in the form of a calendar. It works well for most people due to the fact that they always have their actual working balance handy. Remember the comment about having your financial information at your fingertips? Here is a sure-fire way to get you on that path quickly.

## 2. Calendar Calculations

Putting regular bills on a calendar based on due dates and when salaries are received proves helpful to some. This helps specifically to get everything paid on time and keep in perspective where the money actually goes, since all miscellaneous expenses are also recorded.

## 3. Getting bills paid

Working out all the major and large bills (ie, rent, car payment, insurance, etc.), dividing it up so every week, that amount is removed from the family 'paycheck'. Therefore, at the end of the month, there is need or risk to lose an entire paycheck to rent or car registration.

## 4. 1-2-3-4 Plan

Divide all bills weekly. A set amount goes to a savings account each week. When there is a 5th Friday in a month, you have a "free paycheck" to save.

## 5. Open a household account

In a second checking account, deposit a sum that covers your monthly expenses. Have all of your bills automatically withdrawn. This account acts as a holding cell for household obligations - the primary account is for day-to-day operations. Works for me!

## 6. A timely budget

Get a notebook. List expenses and their due dates. Divide payments into small amounts & use labeled envelopes for payments and money storage. Reduce duplicate credit usage to 1 or 2 credit cards. Use the net for bill paying and to check your accounts.

## 7. Yearly savings

Making a list of all annual or once-a-year type bills (car registration, shots for pets, school pictures, etc.) and divide them by 12. Save this amount each month and, when one of these items come up, you have the money to pay it. No more surprises.

## 8. Save credit card receipts

Keep an envelope in the car for the credit cards you use. When you buy anything using a card, put the receipt in the envelope as soon as you enter the car. Keep changing the envelope every month. This will save you time and hassle when looking for receipts.

### 9. Only twice a month

Separate all bills to be paid on either the 1st or 15th of the month. This enables you to pay all bills at once and on time. An added bonus is that you will also immediately know how much money you have left over for entertainment, vacation and other discretionary items.

### 10. Split into Savings and Checking

Figure out a budget based on a savings account/checking account split. Savings builds up for things like real estate taxes, vacations, and insurance. Checking is monthly (eg phone, groceries, etc.). Split your monthly income into the savings and checking accounts according to the budget. Savings amounts are strictly budgeted. The checking account is controlled by watching the balance until the next payday.

### 11. Respect your partners need for financial security

Everyone likes to buy their toys, but the overall financial security of the household needs to be considered first. I am not against toys; just save up the money first to buy them versus putting non-essential day-to-day expenses on credit.

An example of a toy in my relationship was the spouse's need to have a big expensive truck in the driveway. I was not against the truck, I was against the debt to purchase the truck when there was no money in the savings or money built up for college tuition. Be considerate of the overall family financial situation and provide financial security for your family.

Moreover, on 'living within a family budget', online users listed FOURTEEN more great practical suggestions on family budgeting:

#### 1. Stay busy after work

One "easy" way to avoid overspending and thus stay within your budget is to have something else to do after work. Get a second job that is fun, go to school, volunteer or get into great physical shape. The more you do, the less you will spend!

2. Watch those miscellaneous categories Make sure you have enough well-defined categories to capture your true spending. Putting too much into a miscellaneous category makes it harder to track what you have spent and harder to control, especially the splurges!

#### 3. Need

If you did not know you need it, you probably do not. Do not buy things just because they are on sale. If you had no use or want for it before you saw it on sale, then you will have no use for it later.

4. Save money for special occasions on a budget Add up how much you will spend on Christmas, birthdays, etc. Treat that total like it was a debt and make payments to a savings account for special occasions. Be sure to select a specific day of the month that your payment is due and stick with an amount.

#### 5. Don't Forget to Budget for Special Occasions

When forecasting your expenses, remember to include gift-giving occasions. Mother's Day, Valentine's Day, birthdays, Christmas, and anniversaries are good examples. If you plan to spend money on these occasions, remember to include this in your budget.

#### 6. Don't use a debt to get out of another debt

Do not take out a consolidation loan to pay off your other debts. The point is to get out of it, not to squeeze them together and end up paying interest on the loan while paying off your debts. Try consulting a "free" debt counselor service first.

#### 7. Remember To Budget Time As Well

We have all heard "time is money." Well-spent time can be an investment. Take a few minutes to plan ways to save on bills - 15 or 20 min. researching lower rates on electricity or long distance can pay off. You will know when time spent is not worth it.

#### 8. The envelope system

Total yearly/monthly bills, divide each into 12 months. Divide monthly amount into bi-weekly payments. Use envelope for each bill; put in cash every 2 weeks. Use only the cash in envelope till it is gone. Do not touch your account/debt card! Envelopes ONLY!

#### 9. Good teeth cheaper

You can go to a dental school to have your teeth cleaned, filled, orthodontic work done, etc. The cost is approximately half what you would usually pay. Note: Make sure you have some extra time as this takes a little longer.

#### 10. Avoid expensive friends

Avoid friends who want to go for drinks all the time or suggest an evening at home. The money you spend on drinks and snacks, can buy something better, or go into your savings account. Also avoid friends who want to have supper at your house because you are a "good cook" what that really means is that they are saving money while you are grocery shopping.

#### 11. Keep Track of Your Expenses on a Daily Basis

I call the bank's automated line and do my banking every single night before I go to bed. I can see what checks and/or debits from my debit card are posted and what my running balance is. I compare with what I have in my checkbook or with receipts. This only takes about 10 minutes. Often people get into trouble when they try to keep a running total of what they have left in their head and get into trouble.

#### 12. How To Live Within Your Budget

Organize, budget, and beat stress.

#### 13. Know what you spend

Establishing a budget, and periodically entering all of your purchases into money managing software, should take the guesswork out of your finances. At the beginning, minor changes will most likely need to be made to your budget. Once you have a finalized budget, one person should be responsible for maintaining the budget and tracking finances. I sit down with my wife on a monthly basis and go over our financial results. If we are close to exceeding a budget line item during the month, I will tell my wife and we adjust our spending accordingly.

#### 14. Cut down on interest

With bills happening throughout the month, people can find themselves poor one part of the month, and rich during the other. My bank offers free online bill pay, so I take all of my bills, and divide it by 4. I then pay weekly, so I always have the same spending cash each pay check. It also cuts down on the interest that accrues.

Sometimes, just listening to the opinions of others opens up our minds to other possibilities we have not thought of, read about or seen in any published material, industry-related text-books or budget specialist tip sheets and 'how to' layouts. All the technical information, procedural and budgeting principles are extremely important if you want to ensure lasting and sustainable change. It is also undeniably true, that in this day and age, collaborating and connecting with

others is how we learn.

Utilizing online sources, electronic publications and shared experiences, solving common problems together is definitely the wave of the future. Some providers online offer 'live' customer consultations.

These are mainly for financial issues and mostly your first hour is free. If you are in a real crunch, crises and need a budget fast, but do not have the time to even read through the Coles-notes version, then maybe the internet has the answer for you. Always remember that you are the best-informed and decision maker in this process.

Taking control of your finances should challenge, invigorate and excite you. You are taking charge of your life, getting your ducks in a row so to speak and traveling down the road of fiscal responsibility and re-connection.

**It is mostly a money crunch or crisis situation that make us lean towards budgeting more. Handling a money crisis well and realizing that family budgeting is but one pieces of that puzzle, might be helpful. The expectations, problems faced, context and depth of the crisis, is as important as the steps, procedures, techniques, tools and budget worksheets you end up using.**

- Admitting that there is a problem is normally considered a good first step. Asking for help is a close second. Money-matters makes us do strange things. You are probably not the only one facing this situation. Therefore, take heart there is help out there. Even before getting to the how to steps for your own budget, work on your state of mind, immediate needs, concerns, dues and crisis. Consult a professional financial planner, who will assist you, in all likelihood, through and financial analysis of your situation, assembling facts and information, coming up with solutions, suggestions and alternatives you probably are not thinking of right now. Even when not under pressure or in crisis, when setting up a family budget, gather your thought, emotions, data, receipts, statements, input from others, discuss, consult, assemble, synergize and prepare to

succeed. Get the most appropriate, accurate information you possibly can before setting up any expense categories or filling out worksheets. Get an extra set of eyes to look it over, you will not regret it.

- Sober, even-keel, un-emotional, rational, clear-minded, level-headed and ready to take on any challenge – include setting up a personal and family budget, income, expense statements, asset-liability summaries, expense categories, line items, amounts, estimates and more. Committed to succeed, with a positive attitude and financial resourcefulness will serve you well in any situation, no matter what the money crunch or reason for your budgeting need may possibly be.
- Take responsibility and have realistic expectations.
- Take some risks when required. Be pro-active and explore your options. Do not hesitate to tackle controversial topics or expenditures, even if it can lead to conflict and disagreement. Couples and finances have always caused some difficulty, so it is all normal. Stabilize your situation, salvage what you can and move on, focus forward. Family budgeting has the past, present, future continuum all covered.
- Someone suggested that there are eleven steps in any new money management endeavor you undertake where personal interest and stake is high:

|            |  |
|------------|--|
| Step One   | Change Your Expectations and be Realistic  |
| Step Two   | Tell Yourself the Truth – Face the Music   |
| Step Three | Decide How to Pay for Necessities – Stop-gap Solutions                           |
| Step Four  | Identify Your Assets – all of them! They are there, we just need to go find them |



|                  |   |
|------------------|---|
| Step Five        | Discover How Much You Cost – this is how much you spend and your contribution to situation and circumstance   |
| Step Six         | Calculate What You Can Afford to Cost – cost cutting and balancing your budget  |
| Step Seven       | Call Your Creditors – dealing with debt   |
| Step Eight       | Quit Paying Late Fees – work with professionals   |
| <b>Step Nine</b> | <b>Create a Family Budget</b>   |
| Step Ten         | Do Not Ignore the Following: IRS, Parking tickets, Association Fees, Car payment, Immigration and other government affiliates that need to be pulled into your situation to assist you as best they can |
| Step Eleven      | Manage Your Money Every Day   |

**It is no surprise then, to even find the ever-popular 'budgeting' concept among these listed must do's to re-collect, re-orient and return to fiscal freedom and avert further money-related crises!**

## HOW SHOULD A FAMILY BUDGET BE USED

This question immediately suggests that it should be part of the whole family budgeting process. It is much part of the learning around setting it up, considering its usefulness, function and purpose.

Creating or setting up the budget is one thing. Sticking to it, effectively implementing, sustaining and if actual fact, in essence 'using' it is the ultimate goal and achievement. That is worth celebrating. Families have different ways again to use or refer to their family budgets.

For some it will be no more than a general guideline. For others it would constitute an absolute rule not to be bent or broken. Others still will use the family budget as a strategic planning tool to protect the interests of his/her family and plan for a full and happy life, setting a small amount aside for the future, invested smartly and securely, with confidence and pride.

The very day the family budget actually assists you in reducing your spending and making informed smart financial decisions that is the day you do not sit back and relax, but throw all your energy back in making it even better. This is an on-going, continuous improvement exercise, experiment and undertaking of your own making, design and creation!

The family budget can:

- **Assist you in handling unforeseen increases in costs and unbudgeted expenses**

It is very common to get discouraged when on the family budgeting path. The minute you feel you have taken strides forward, something will happen, a setback, unexpected upset or expense, breakdown, maintenance or replacement of car, appliance, major purchase or repair and many other setbacks will occur.

In a sense it makes families more robust, responsive and adaptable. Tracking your finances makes you aware of patterns and business cycles, cost and many other factors that affect hearth and home financial life and health. Rent increases, more expensive cigarettes or tax increases, higher gas or energy prices or increased mileage to and from work are but a few examples of these events and issues that might come up.

When faced with these challenges, problems or complexities, having your fingers on the pulse of your available resources, discretionary monies, savings, line of credit, rates, banking fees and more, will all help you make the right informed decision that is best for your family, at that time and act accordingly with diligence and confidence. You are in control of your financial situation and not the other way around. It enlightens and empowers you to do more with less!

Unpredictable pricing and fluctuating expense are not easy to reduce in any budget. Having this variation handy, spread over a period of time, can help you plan better and anticipate sudden spikes or higher expenditure during certain months of the year.

For example, the telephone bill is higher when the teenagers are home for the summer. Emergency, contingency and improvements are not priorities for most of us when we receive our paycheck. To ensure a steady stream of income into these categories make “saving for a rainy day” come to life and have some real impact and meaning in our financial planning.

Cutting non-essentials first is a good strategy. Alcohol, long distance phone calls, gifts, gardening and landscaping services, decorating costs, pet care needs, recreation and lottery tickets can all be good money-saving categories. The more line items you can include, in your cost reduction, the smaller the dollar-amount impact in each.

It should come as not surprise that by just cutting a little in each of these categories, families can easily save upwards of \$240 per year without too much noticeable difference in their lifestyle or any major disruptions or sacrifices. If is less than 1 % of your total spending, it should not really cause pain, grief or reason for worry.

Family budgets can also provide hints on how to save on non-essentials: Buying more or less of a product or service, comparison shopping for the lowest possible price, bulk and discount, sale, buying a lower-priced or no-name brand. Eliminating some gift giving (Christmas, birthdays, friends and family) is a way to save money.

Elimination of waste is another clever way to save money that is often overlooked, BUT not in the family budget. Thrown out food because too much was purchased or it spoils because at time of purchase it was not as fresh as it could have been. Spur-of-the-moment clothing purchases, too trendy, uncomfortable and not the right size perhaps?

Making an active effort to participate in the family budgeting process will carry its own rewards as well. Self-discipline and curbing your own spending will soon become second nature almost.

- **Enable families to make large spending reductions in the right places at the appropriate times**

Anything from a small rent increase of a couple of dollars to an all-out job-loss can impact home life and finances, and not in a positive sense. The family budget offers you the opportunity to prepare somewhat for this, whether pro-active or responsive action follow. Flexibility and adaptability are bonuses with family budgeting.

It will spell out the reality, damage, impact, what needs to be done at the barest of minimums to get by and offer stop-gap solutions, practical and accessible, right away. It is not to say that it will have you not worrying about it! All of us will be concerned if this is our situation, but it will leave you more prepared to deals with the challenges head on and right away as opposed to wasting time wondering what to do and how bad it is.

- **Protect against income reduction and inevitabilities**

In the case of job loss mentioned above there are also immediate realities to consider. Financial implications are huge for family life and the pressure is on. Family budgets and informed budgeted will tell you that this tool and time spent will be worth every penny if this were ever to happen to them.

Because of the heightened awareness and familiarity with the context and content of the financial, spending and cost cutting plans and strategies, goals and savings, the family budget process and product now offer avenues to solutions rather than barriers of debt and no point of return.

Tackling normal spending categories first, reduced transportation costs, packing a lunch as opposed to having it in the cafeteria every day. Suspend all discretionary funding, move money

in your accounts around to ensure liquid assets to cover basic expenses. Luxury items and recreation, sports and other leisure activities will be another category to find some budget dollars.

Maintenance and repair costs might be suspended or delayed, cost-cutting is never pleasant but the budgeting process makes it easier to know where the cushions and 'fat' is that can be trimmed or eaten away at, without risking heart and limb!

Other positive job-changes like promotions and relocations could also have a lot of impact. Taxes, relocation fees, buy-and-sell of homes, settling allowances, insurance, storage etc. they all add up. The family budget will help you assess your situation more clearly, leading to better decision-making and informed empowered choice.

**Any discussion on 'How to set up a family budget', will be incomplete without a section dealing with debt and debt consolidation**

Normally we use credit cards for a variety of good reasons, like convenience, business expenses, online commerce, instant accountability, unexpected bargains or expenses, medical and or other emergencies.

There are however, also very definite situations where plunging yourself deeper into debt is not a good idea at all:

- An expensive item you know you cannot afford (indulgence shopping). If you do not have the cash funds to purchase it, charging it is not going to make it easier for you to pay it! By putting it on plastic you just racked up the price and interest charges. Your budget will not thank you later for this one. Bad decisions often lead us down the wrong path. You will be left facing paying for this choice for a couple of years down the road still.
- Tele shopping or infomercials for gadgets and widgets.
- When grocery shopping, pay cash rather than plastic, or you will most likely overspend.
- Meals, drinks, nights out and other entertainment charges are all like the miscellaneous category in a budget. The balance and dues will just keep on piling up, if it is not tracked and monitored closely
- If you are truly going to be budget-minded and money conscious while trying to get out of debt, consolidating or in debt-repair avoid the plastic!

- Check the interest rates on your card, consolidate accounts, go through the exercise of balance transfers et al. and seek the advise of a professional to assist and advise you, on how best to approach credit of any sort while on the mend to financial freedom, reputation, repair and recovery.
- For family budgeting purposes, credit cards are for EMERGENCIES ONLY and should not be used to pay for bills or luxury items. Carrying a high balance, missing a payment, paying less than the minimum or other faux pas, might negatively affect your credit rating and undermine all the other good work you were doing in your budgeting process.
- Watch out for steeper late charges, higher rates, annual service fees, interest rates and charges, and cash advances.
- Using your credit card at an ATM for a cash advance can sometimes not be convenient, as the rate and cash advance fees can total as much as 24% or higher. This is even more than loan sharks or other payday like loan providers.
- Do not use credit cards for any of the following reasons: unbudgeted expenses you cannot pay for; having no cash savings to help you with unexpected expenses, consuming more than you can afford or impulse shopping.

Debt management and family budgeting actually fit like hand-in-glove together. They compliment and strengthen each other if used appropriately and with caution, diligence and commitment to change.

It is advisable to get a handle very early on in your budgeting process on what exactly the debt situation is. For most people this is the most painful part of the process. Facing their monetary past and the aftermath of overspending, lack of budgeting and large debt!

Extreme care should be taken early on as well to protect your financial interest. Review your family budget spending categories and avoid debt by every means you can and not use it for living expenses.

Repaying your debt should be the main priority. Consulting with a financial planning and debt consolidation professional and specialist will help you answer the question whether you need to consolidate, transfer, stop using credit cards all together, file for bankruptcy or what your other options are. Exhaust all the possibilities before pursuing this route.

A personal debt review can be painful, but is very necessary to assess the status quo or where

you are now and how good or bad it is. What is the depth of your “obligation” category in your budget, where this will inevitably fall.

Debt is a wide concept, covering lots of things, including mortgage, car, credit cards and other retail credit card accounts and personal loans of any kind. IOU's from family or friends also have to be included, if you are honest about making a difference, repaying in a timely fashion and truly want to know how bad it really is!

Your summary sheet can carry the following headings: account, total amount due, monthly payment, total interest paid last year, and interest rate. Financial advisors call this a debt review register. It is painful to see this data, because it will clearly show the impact of bad financial decision-making. Interest paid gives you absolutely NO BENEFIT WHATSOEVER!

**Strategies for debt and cash flow management in a family budget include:**

- Consolidating all consumer debt (that is everything you owe, except for your mortgage) and making it a priority to pay it off in a timely fashion, getting reduced rates and maximizing your effort in wiping the financial slate clean.
- Paying off high-interest credit cards first
- Use a line of credit if you can as the interest rates are typically lower
- Suspend any kind of spending on any credit card and establish good habits paying in cash for purchases
- Use all store-based cards wisely or not at all, if that is the disciplined approach you have chosen
- Store-based card often have no annual fees and you could qualify for them even with a low credit score – showing restraint and good fiscal management by making your payments on time, every time and keeping the account up to date, will go a long way to regaining your confidence and repairing your credit.
- Utilize the service of a good credit counseling service to assist you and deal with your habitual over-spending and shopping addiction
- Use credit card statements for budgeting purposes for accuracy and tracking
- Loans are handled no differently – the strategy is pretty much the same: find the highest loan balance and the highest rate and start paying the latter first
- Avoid any new debt
- If after a six month period you have paid like clockwork, contact your creditors and negotiate a lower rate at that time to ease the burden a little bit

- Student and educational loans are approached as investments in your future and is a hybrid and shoulder debt category really. Loan-payback for all tuition debt needs to be included in your family budget. Taking a second job (evenings and weekends might be the answer here, ,while honing and practicing your skills and gaining some more experience as well!). This might lead to better business opportunity later and higher paying jobs later in life!

Take heart. Family budgets are not here to depress you even further. The fact that you are taking pro-active measures to participate in your life, ,sends the right signals, not only to creditors and credit counselors, but also to the family members that care so deeply about you too!

**Another popular topic for family budgets, is children and fun activities.** How to make the most of these togetherness opportunities, while living and functioning within limited means and on a budget, causes many money wise parents concern:

- “The best things in life are FREE” – you just need to know where to find them, how to look and then enjoy them together. Being cash-strapped or budget-challenged should not minimize the FUN you as a family have together.
- Prioritize it together with the other members and the children in the home (if they are older), discussing alternatives like picnics, walks, visiting a beach, lake or park close-by.
- Look for locations with lots of open-area space, baseball fields, tennis courts, and basketball courts.
- Use coupons for entertainment like DVD rentals, miniature golf and other sports.
- Matinee rates for movies are a great way to save money.
- Play board games with friends, arrange potlucks and play-dates.
- Visit zoos and museums and outdoor summer concerts that are usually free of charge.
- Add fun elements to choosing, like putting the activities in a hat and letting other choose what to do next.
- Avoid window shopping, mall-crawling or expensive shops where you will be tempted to spend more money or leave feeling guilty that you cannot.
- For discounted, bargain-priced brand-name kids clothing, shopping at end of season sales is a real budgetary blessing!
- Budget for one very special outing or event, you can do as a family and set aside a little extra if you can for that annual camping, local or road trip you plan for, in your family



budgeting process each and every year.

Family budgets is not all doom and gloom. There are always ways to do little things together, make memories and invest time and attention in one another that costs absolutely nothing but time, a smile, a hug or two and a caring heart to share them all with!

## FINAL THOUGHTS ON SETTING UP A FAMILY BUDGET

- **None of us want to remain or be without money, short on cash, cash-strapped and not able to live well and or get the things we need, dream about and want.** Family budgeting brings us one-step closer to our fiscal realities, while offering more than the direction and route, but also the tools and techniques to get to fiscal nirvana!
- **Most of us have an inherent want to protect what is rightfully ours.** Our hard-earned cash is no exception here. We want to enable, as far as it is in our power, to utilize what little (or much) we do have to the best advantage and our family benefit overall. Family budgeting helps us do so with method, structure, elements and processes that enable success.
- **Family budgeting can assist have and have not alike make better financial decisions with a future perspective always in mind.**
- **Building greater awareness of where our money actually goes, or ends up, can be enlightening and empowering at the same time.** Some react with shock and horror, as they realize they are their own worst enemy. They bear witness to impulse-driven shopping and periods with no fiscal discipline. Realizing that this course of action hurt you and your family in the long run, puts a sudden halt on the money flowing out typically! (even if the effect does not last too long!)
- Although family budgeting can be overwhelming at first, the tools and techniques, process and steps to follow are fairly simple, straightforward and easy. Like so often said, it is not rocket science! We just need to have the right attitude, motivation and persistence to see and follow things through. Budget or bust!

- Family budgeting can help you get, be and remain in control of your money and family's financial situation. Be kind to your pocketbook!
- Set aside time to work on your household financials and budgeting processes on a regular basis. Keep it up to date and accurate. This way you can spot problems early, react quickly and come up with creative solutions in the short-term to address any issues, challenges or shortfalls. Be on top of things.
- Family budgeting helps you know your own financial facts. You will be able to know, instinctively and exactly what is going on with your cash-balance without even looking at your statement necessarily! A good test to tell whether someone is using a family budget for their household is to have them write down the exact amount they have in the bank today, and as of now also on their person, in their wallet. Add the two and write down the total right now.

What did you learn from this exercise? Let us take it one-step further. What do you owe? Include credit cards, car financing, mortgage and other debt. Subtract what you owe from what you have. Have you learnt anything by doing this simple exercise? For most of us the answers would be astonishing! This hands-on involvement and knowledge about your finances helps some and not others. For some of us just glancing at our statement now and again, having no idea as to what is in our wallets, is quite all-right too. (That is, as long as you are not finding ways to spend it without realizing it!)

- In family budgeting, do not be hesitant to set stretch-goals too. Whether you get there by cost cutting, taking a second, part-time or seasonal job or find another source of supplemental income, it helps your raise the bar even higher.
- Family budgeting is not just about budgeting to the last cent and flying by the seat of your pants. It offers structure, wisdom, decision making and reward for the serious and tenacious amongst us. Taking it on as a major and regular task and priority will change your quality of life, sometimes without you even realizing it.
- You are in it for the long haul! Take responsibility for spending. It this means laying down some ground-rules in your household and cutting back on a couple of luxury items, that needs to be discussed, agreed upon and stuck to, to make your budget work and have

an impact over time.

- Family budgeting is about minimizing and totally avoiding if possible any unexpected and deemed unnecessary spending. Spell out the realities and consequences of these purchases to others – short on cash, family tension, unnecessary stress and complications, hardship and more. Openly discussing it builds fiscal responsibilities on all fronts. This does not mean rigidity or inflexibility. Need, merit, means and circumstance will obviously dictate.
- Family budgeting is also about shared responsibility. All members can participate – even the kids. Taking responsibility for the grocery bill for example. Mom is responsible mainly for the weekly outing to the store, but when it comes to the staples like milk, bread, eggs and cheese, one of the teenagers can be entrusted with the budget funds and task, help shop for bargain, check flyers and more. Setting house-rules about who gets to pay for what and when is also important when you have young adults still living in the house or have boarders. Family budgeting allows the channel for discussion and eventually mutual agreement on financial goals and priorities.
- Perhaps the most important part of all, is that family budgeting helps us all learn where the money actually goes, as opposed to where we think it does or should go. Normally very different things! The initial realization of the amounts (usually larger than we think!), involved on incidental, discretionary and impulse buying is an eye-opener for most and ends up saving families all kinds of money they never knew they had. Just brining that into the awareness and our conscious mind tends to put a stop to unnecessary expenditure.
- Mall crawling and hanging out in retail stores to kill time, is counter-productive and part of the reason we spend frivolously. From bookstores, to lottery tickets, gourmet coffee, food-court lunch, and a quick movie, items you do not really need, but think you or your spouse or kids would like leads to hasty, flawed and almost distorted decision making. The thought, actions and actually purchases are not budget-driven and money conscious at all. All these things add up over time. Smoking, daily coffee (or two), buying candy, chocolates, pop, magazines and more to 'kill time' are all money-guzzlers that should be avoided.

- Other examples of incidental money-guzzlers are parking meters, donuts, shoe repair, raffle tickets, fund-raising, car wash, pay phone. Avoid it is probably unrealistic, but family budgeting, logging and tracking at least makes us more aware of these categories and 'traps'. Have a category in your budget for Miscellaneous and track it for say 3-6-12 months and see how it adds up!
- Beware the flyers, advertisements, special discounted sales and other retail or sales tricks of the trade that tempt, entice and lure you in to spend your precious dough!
- Keep on tracking spending and income no matter what. A good tip for family budgeting is, at least initially, get a notebook and a pen and write things down as opposed to going to high-tech, spending money to get it done etc. Avoid this being or becoming just another unexpected and unplanned expense! It is supposed to help you, not hurt you. Tools are great, but process and results are better.
- Family budgeting help you focus on the different types of expense you and your family and household face. The annual ones are the hardest, we tend to put them on the back burner and they tend to be larger amounts too. Having them in your budget assist us not forgetting there major expenses like school fees, judo or gym memberships, dance classes, Christmas and birthday gifts, babysitting or nanny-salaries and more.
- Fiscal restraint, wise decisions, weighing options, informed choice, planned set and formulated goals and projection estimates and steps to get there, all work together in the family budget, to get you back on track and on the road to enjoying your dollar-earnings.
- Initially, when setting up your family budget probably for the first time, it is acceptable when estimating some of the expenditures and cost to err on the higher side. This will definitely show you where you would need to cut back if you had to add in budget line items or budget for big purchases like appliances, furnace replacement etc.
- Family budgets keep it real, in the moment and us humble, on our toes and accountable.
- Some realities we will have to live with. Some fixed costs we are not able to reduce right away or at all. The fact of the matter is, we are on the look-out and actively finding other and innovative ways to cut spending and costs that we would otherwise not have been

motivated enough to do of our own accord.

- Surely, the most interesting effect of the family budget on most people, is revealing our personal spending habits, preferences, weaknesses or “buttons to push” my kids call them. Family budgeting helps us to get to know what they are and improve on them.

Where and why, on what and how much are all factors that impact while our money keeps vanishing. We are most often the biggest culprits here. Shopping excursions should be minimized; they are just a good excuse for buying unnecessary items.

Overspending while with a group of friends or peers are all too common these days. Grocery bills hide a lot of “sins” or impulse buying (chocolates, chips, magazines, ice cream etc.). Also knowing when during the year you tend to spend more money, is also important – bulk buying might be the answer. Think juice and snacks when the kids are home for summer for example. This also helps people realize that funds should be available almost year-round and that life is unpredictable.

- Family budgeting is one of those activities that none of us really truly value, until we see or feel it make a difference. If you stick with it long enough, disciplined and committed, you will experience the dynamic impact and life-altering influence and contribution of this tool and process. Happy number crunching! Have fun creating your own family budget.

Therefore, for now, we will stop our discussion here. Throughout these pages, attempts were made to show the need, benefits, nature, elements, advantages, processes and techniques for family budgeting that can get you started right away, offering practical advice and poignant suggestions that apply to your unique situation, whatever that may be.

We trust it has been time well spent and happy trails on your journey back to fiscal control, independence and empowered decision-making. PASS IT ON.

**Some final thoughts, money saving perspectives and inspirations:**

**"If saving money is wrong, I don't want to be right!"**

**William Shatner**

(Canadian Actor, Writer and Producer most famous for starring Captain Kirk in the television series Star Trek. b.1931)

**"A simple fact that is hard to learn is that the time to save money is when you have some."**

**Joe Moore**

**"Save a little money each month and at the end of the year you'll be surprised at how little you have"**

**Ernest Haskins**