

The background is a light gray gradient with several realistic water droplets of various sizes scattered across it. The droplets have highlights and shadows, giving them a three-dimensional appearance. The title text is centered in the upper half of the page.

INTRODUCTION TO BUDGETING

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STEP 1: CHOOSE YOUR TOOLS

- PENCIL AND NOTEBOOK
- EXCEL SPREADSHEET
- BUDGET SOFTWARE
- CHOOSE WHATEVER YOU ARE ABLE TO COMMIT TO WORK WITH

STEP 2: ASSESS YOUR MONTHLY INCOME

- “DON’T SPEND MORE THAN YOU EARN”
- AVERAGE THE LAST 3 MONTHS OF INCOME
- ADJUST FOR ANY LOSS IN HOURS, WAGE INCREASES
 - IF YOU ARE UNSURE OF YOUR PROJECTED EARNINGS USE A MONTHLY INCOME ON THE LOWER END OF YOUR NORMAL SPECTRUM.
- RECORD YOUR AVERAGE MONTHLY INCOME

STEP 3: ASSESS YOUR MONTHLY LIABILITIES

- RENT
- LOANS
- CHILDCARE
- INSURANCE
- UTILITIES
- RECORD MONTHLY TOTAL FOR EACH LIABILITY
- RECORD TOTAL MONTHLY LIABILITIES

STEP 4: ASSESS YOUR MONTHLY PERSONAL SPENDING

- GROCERIES
- GAS
- ENTERTAINMENT
- CABLE
- PETS
- MISCELLANEOUS – HAIRCUTS, CLOTHING, MAKEUP
- RECORD TOTAL FOR EACH PERSONAL EXPENSE
- RECORD TOTAL PERSONAL MONTHLY EXPENSES

STEP 5: REVIEW YOUR BUDGET DRAFT

- SUBTRACT MONTHLY LIABILITIES AND PERSONAL EXPENSES FROM YOUR MONTHLY INCOME
- BUDGET SHOWS YOU HAVE EXTRA MONEY – EXCELLENT NEWS!
 - YOU CAN WORK TOWARDS WORKING TOWARDS CREATING SOME GOALS TO REDUCE DEBT
- BUDGET SHOWS YOU ARE SPENDING MORE THAN YOU ARE EARNING – MORE WORK TO DO!

STEP 6: EXTRA MONEY 😊

- REVIEW YOUR MONTHLY LIABILITIES
- LIST YOUR DEBTS FROM HIGHEST INTEREST RATE TO LOWEST
- LIST THE EXTRA PAYMENT YOU ARE ABLE TO MAKE TOWARDS THE HIGHEST INTEREST DEBTS EACH MONTH

STEP 7: TIGHTENING THE BUDGET ☹️

- ELIMINATE OR CHANGE TO THE LOWEST PACKAGE FOR CABLE SERVICES
- LOOK AT YOUR FOOD BILL
 - STOP EATING OUT
 - PLAN YOUR MEALS BASED ON SALES FOR THE WEEK
- SET A GOAL TO HAVE A PORTION OF THE DOWN PAYMENT FOR A LARGE PURCHASE
- CUT BACK A PERCENTAGE OF ALL YOUR PERSONAL SPENDING

STEP 8: PUT THE BUDGET INTO ACTION

- DETERMINE YOUR PAY DATES FOR THE MONTH
- EVEN ALLOCATE YOUR MONTHLY EXPENSES TO EACH PAY DATE
- YOU CAN USE ENVELOPES OR A REGISTER FOR YOUR SAVINGS ACCOUNT TO KEEP TRACK OF THE MONEY YOU HAVE FOR EACH EXPENSE SO THE FUNDS ARE AVAILABLE AS THE EXPENSE IS DUE

STEP 9: REVIEW THE BUDGET

- AT THE END OF EACH MONTH – REVIEW YOUR BUDGET AND MAKE ADJUSTMENTS AS NECESSARY
- APPLAUD YOURSELF FOR PUTTING THE TIME AND EFFORT IN TO INVEST IN YOUR FINANCIAL FUTURE