

## BUDGETING TIPS

The most favourite part of my job is helping people put together a budget, yet we often hear that for many people, this is one of their least favourite things to do. I meet many interesting people from all walks of life and have a window seat to their hopes and dreams. A budget is a tool to realize these hopes and dreams. I think the most common misconception is that people who follow a budget don't have any fun. The consequences of not following a budget can lead to financial stress including lack of savings, increased debt, even bankruptcy. Along with the attached 5 Steps to Budgeting, a budget template, and an example of a pay-cheque planner, here is a list of some tips to help you get started:

Start with fixed expenses

Be organized

Transfer money to your savings account each pay

Update your budget regularly: new baby, new car, new house/apartment, increase in pay, job loss, college/university, marriage/common law, separation, retirement, car loan paid in full...

Include an emergency savings account

Use the envelope system to manage cash expenses

include entertainment in your budget to have FUN

Don't buy more groceries than you can eat

Put money aside for periodic expenses

Keep track of your bank account

Don't buy what you don't need

Budget should be realistic

Pay your bills on time to avoid late fees

If you are carrying a balance on your credit card, make a plan to pay it off.

Bring your lunch

It is never too early to save for retirement

Make a plan for holiday spending and stick to it.

Stick to your budget