

*Can Budgeting help you
achieve your Financial
Goals?*

Debt America

- \$14,743 – Average American credit card debt (Source: www.creditcards.com)
- Debt Issues not due to lack of money
- No. 1 reason for debt: Income Loss
- No. 2 reason for debt: Medical



What is a budget?

Budg•et (bǔ'jt)

“Systematic plan for the expenditure of a usually fixed resource, such as money or time, during a given period”

- Plan
- Fixed resource
- Given period



How to build a budget?

- Set spending goals
- Gather current spending patterns
- Wants vs. Needs
- Construct a physical budget



Set Savings Goals

- Goals keep you motivated
- Set three goals
- Break out goals by timeframe and dollar amount



Gather Current Spending Patterns

- Review bank statements
- Review credit card statements
- Paystubs



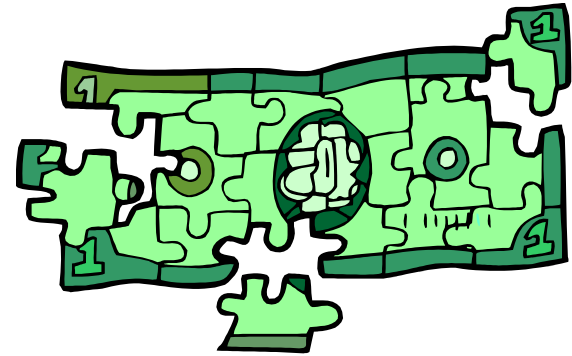
Differentiating Wants vs. Needs

- Wants – desire
- Needs – obligation
- Objective opinion



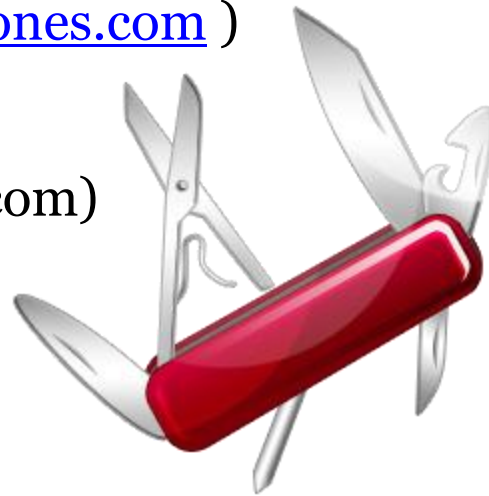
Wrap It All Up

- Financial goals
- Current spending patterns & income
- Remove some excess spending (wants)
- Construct a physical document



Methods and Techniques

- Envelope method
- Excel Spreadsheet (www.excellentones.com)
- Account constraint
- Software (Microsoft Money, Mint.com)



Tips: Saving Money & Staying in Budget

- Direct Deposit
- Check Cashing & ATM Fees
- Pay bills on time but not early
- Keep credit in good standing
- Pay anything before taxes (401K, transitChek, Health Savings etc.)
- Mortgage\Auto loan principal payment

****What are your tips?***



Conclusion

- Make 3 goals
- Review spending patterns and income
- Create physical document
- Build controls
- Review



Contact Information

Othniel Denis

Principal

Excellent Ones Consulting

Email: odenis@excellentones.com