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WORKE	LACE O	PTIONS

WORKPLACE OPTIONS

Financial Fitness: Living Within a Realistic Budget

Welcome and Introductions



Agenda

- Develop a realistic budget that will allow your money to work for you
- Identify common money mistakes
- Provide practical tips for living within a budget



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Aspects Affecting Your Budgeting Ability

- Beliefs about money from childhood
- · Emotional spending
- Commitment to improving your situation
- Knowledge level about money in general
- Knowledge level concerning the allocation of your funds

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How to Work for Your Budget

- Stick with your new budget
- Believe that your financial success is possible
- Be willing to give up some money
- Realize all that you have



Poll

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How financially fit are you?

- A. I don't have a budget
- B. I'm working on developing a budget
- C. I adhere to my budget



WORKPLACE OPTIONS Quote "A budget tells us what we can't afford, but it doesn't keep us from buying it." ~William Feather

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Keep the Reality in Your Budget

- · Match your needs
- · Allow room for the unexpected
- · Avoid feeling deprived
- · Leave money for savings
- · Allow yourself to reach your goals



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Financial Goals

- Short-term within 2 years
 Examples: Pay off credit card debt in 2 years
 Save 3 months of income for emergencies in 1 year
- Intermediate 3-9 years
 Examples: Have money for a house in 5 years
 Pay off student loan in 8 years
- Long-term 10+ years
 Examples: Have money in 10 years for child's college education
 Have money for retirement in # years



Good Reasons to Budget

- Guides you in the direction you want to be headed
- Allows you to better manage your money
- Helps you meet your savings goals
- Prepares you for emergencies
- · Reveals areas where you can cut expenses

Creating Your Budget

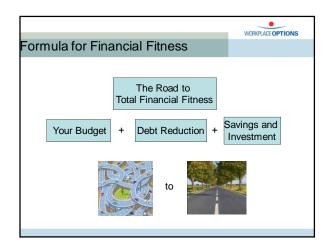
- WORKPLACE OPTIONS
- Compile your expenses
- · Total your income
- Subtract expenses from income
- Rework your budget (repeat as needed until you reach a balance)

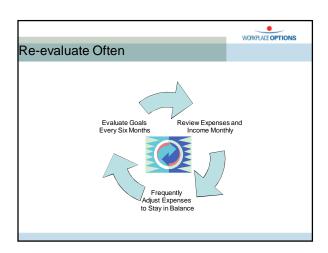


Principles to Guide Your Budget

- WORKPLACE OPTIONS
- Make savings contributions automatically
- Define spending priorities
- Pay down expensive debt
- Build a safety net
- Live within your means







Common Mistakes • Not understanding your credit report • Making an unrealistic budget • Continuing un-checked spending • Ignoring the income versus expense connection

Poll Budgets never work. Something always happens to throw it off and it's so hard to get back into a budget after that. A. I agree B. I disagree

No-Win Situations Omitting fun Sporadically saving Relying on credit Paying only minimums Ignoring an emergency fund Spending beyond means

Make This Fun! Learn to cook gourmet, not pay gourmet Learn when your local zoo, museums, and parks offer free or discount days Be creative



Keep it Simple, Keep it Practical

- Clean out and sell unwanted/unused items
- Hunt for bargains for clothing, electronics, housewares, etc.
- Focus on buying only what you need, not what you want
- Re-use and re-purpose what you already have
- Don't fight over finances

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Using Your Money Wisely

- Invest
- Plan ahead when making large purchases
- Access EAP resources



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"But, my friends, haven't I always said that when it comes to your money, it's not about doing what's easy—it's about doing what's right?"

Suze Orman, 2009 Action Plan

