



Financial Fitness: Living Within a Realistic Budget

The Presenter

Steven Shagrin



Steven Shagrin, better known as “Shags”, is a coach, educator, and trainer who works with individuals and professionals seeking change in their financial situation from a practical, behavioral, and connectedness perspective. Dedicated to lifelong learning and educating others, Shags brings a unique background to his coaching and training business.

With degrees in accounting and law, Shags worked for two decades with Wall Street brokerage firms, then as a “fee-only” independent financial planner, before finding his calling as a coach and educator. His professional credentials include Certified Money Coach (CMC)[®] and Master Coach/Trainer, CERTIFIED FINANCIAL PLANNER[®] professional, Chartered Retirement Planning Counselor[®], and Certified Retirement Counselor[®].

He is President of Steven S. Shagrin Company in Walnut Creek, CA, providing money coaching and financial wellness services. Shags is also Vice President of The Money Coaching Institute in Novato, CA, providing money coaching training workshops and classes, as well as personal finance education classes.

Learning Objectives

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

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

How to Work for Your Budget

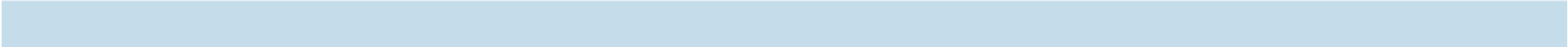
- Stick with your new budget
- Believe that your financial success is possible
- Be willing to give up some money
- Realize all that you have





Poll

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
- 



Quote

“A budget tells us what we can’t afford, but it doesn’t keep us from buying it.”

~William Feather



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



Financial Goals

Long-term – 10+ years

Examples:

Have money in 10 years
for child's college
education

Have money for
retirement in # years

Intermediate – 3 to 9 years

Examples:

Have money for a house
in five years

Pay off student loan in
eight years

Short-term – within 2 years

Examples:

Save three months of
income for emergencies
in one year

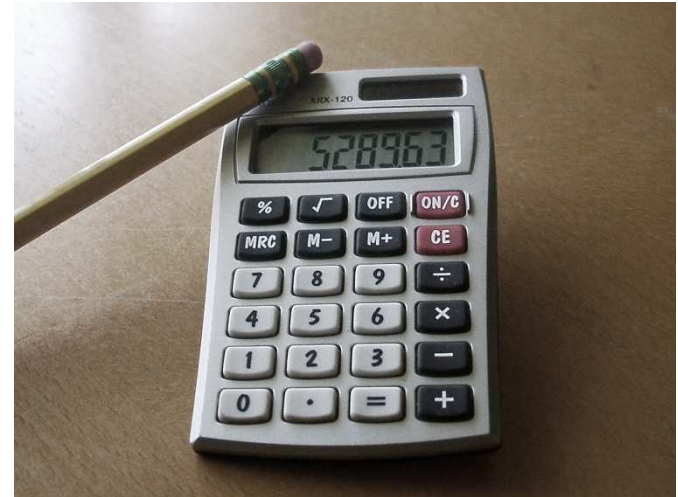
Pay off credit card debt
in two years

Good Reasons to Budget

- Guides you in the direction you want to go
- 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

1. Total your income
2. Compile your expenses
3. Subtract expenses from income
4. Rework your budget
(repeat as needed until you reach a balance)



Principles to Guide Your Budget

Make automatic savings contributions

Establish spending priorities

Pay down expensive debt

Create a safety net

Live within your means

Formula for Financial Fitness

The Road to
Total Financial Fitness

Your Budget

+

Debt Reduction

+

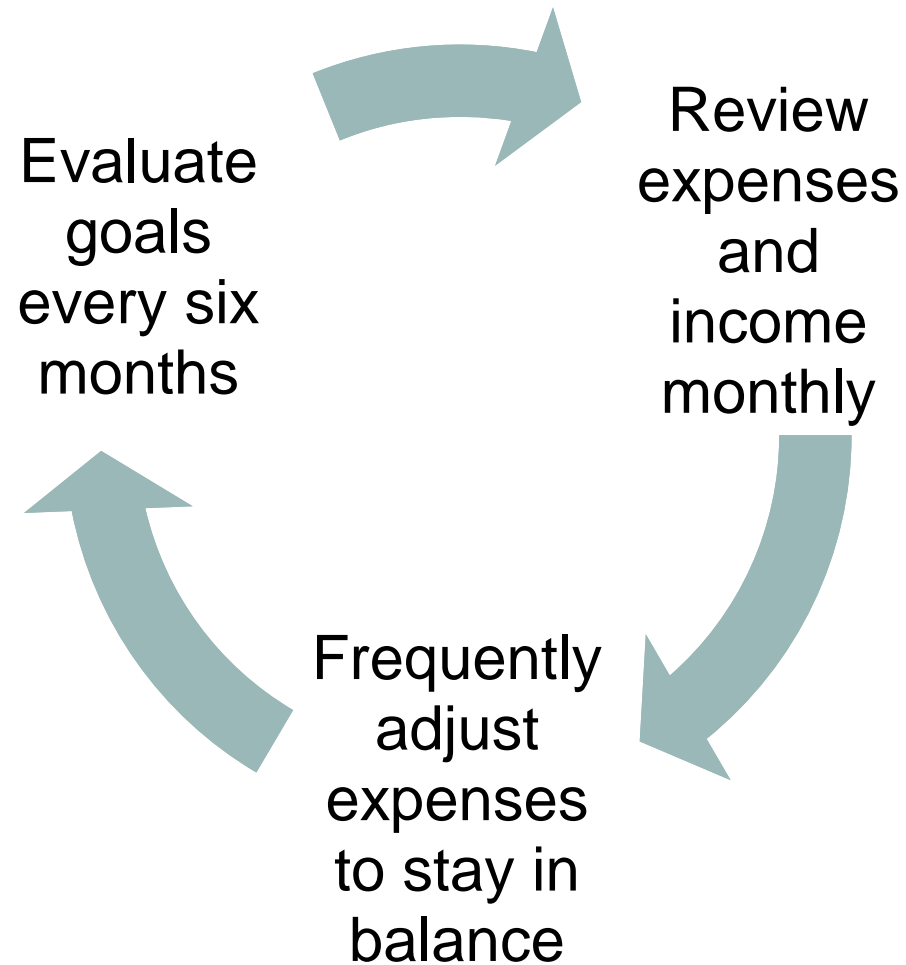
Savings and
Investment



to



Re-evaluate Often



Common Mistakes

- Making an unrealistic budget
- Ignoring the income versus expense connection
- Continuing unchecked spending
- Not understanding your credit report





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 It Fun!

- Learn to cook gourmet, not pay gourmet
- Learn when your local museums, parks, and other places of interest 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

Using Your Money Wisely



Invest

Plan ahead when
making large purchases

Access EAP resources

Quote

“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



Thank You!

Questions?



Works Cited

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