

Budget Cheat Sheet

STEPS FOR GETTING YOUR BUDGET IN ORDER

Step 1. Figure out the “WHY” behind your spending and set a vision and goal for your money.

Step 2. Assess your money habits by tracking spending for previous 2-3 months. Write out ALL of your debt, your assets, and determine your networth.

Step 3. Create a budget calendar for the upcoming 12 months with fixed expenses, events, and other regular expenses that need to be saved for with sinking funds.

Step 4. Create a realistic budget for variable expenses and use cash envelopes to get a handle on spending. Include Miscellaneous category for random expenses.

Step 5. Set up Emergency Savings Fund. (3x Min. Expenses) and Checking Account Cushion (\$1,000).

Step 6. Pay down debt with Avalanche or Snowball Method.

Step 7. Determine retirement goals by rule of ‘25x’ what you want to live on. Start saving using 401K, Roth IRA, HSA, etc. Explore Investment Options.

Step 8. Keep a handle on spending by continuing the steps. Beware of budget inflation.

★ Make it a habit to give your tithe first. Withdraw cash and let your kids give a tithe.

★ Your budget can and should change with each paycheck. Not a one-and-done event, but a regular habit.

Stewardship means:

- Your money is not your own.
- Your money should be used to glorify God.
- You should know what your money is being used for.
- You should use your money in wise ways.

FIXED EXPENSES

Keep in your bank account and set up on automatic payments. Divide up payments throughout the month to spread evenly between paychecks

- Water
- Electric
- Natural or Propane Gas
- Phone
- Pest Control
- Internet
- Trash Pick Up
- Security Systems
- Childcare
- Car Payments
- Min. Debt Payments
- Car Insurance
- Health Insurance
- Cable
- Gym
- Subscriptions

VARIABLE EXPENSES

Amount needed changes each month. Use cash envelopes and set a limit for each amount. Anything that is not spent can be rolled over or moved to sinking funds.

- Groceries
- Restaurants
- Fun
- Clothing
- Gas
- Home
- Pets
- Kids
- Gifts
- Miscellaneous
- ***Online Shopping (Remains Empty)

SINKING FUNDS

Each month, set aside money in sinking funds to save up for regular expenses that don't occur every month. Use a planner so you know how much to save for.

- Vacations
- Homeschool Materials
- Kid's Activities
- Medical Care
- Veterinary Care
- Car Maintenance & Repairs
- Home Maintenance & Repairs
- Tuition
- Taxes
- Camps and Retreats
- Christmas
- Birthdays

SAVINGS

Use for larger savings goals.

- Down Payments
- College Funds
- Retirement
- Large Home Renovations

***What about online shopping? Make another envelope and move money from the cash envelope to this envelope. When you are depositing and withdrawing money, deposit this money to pay off cards or reimburse your account.