

@FamFinPro's 3 Baby Steps for Budgeting

Author – Amanda Christensen

@FamFinPro's

3 BABY STEPS FOR BUDGETING



The “B” word is not always a pleasant one in the money management world. Honestly, when you read the word “budget,” what’s the first thing that comes to your mind? Unrealistic? Stress? Confined? Restricting? But you have to start somewhere. You might then ask, “What are some baby steps for budgeting?”

First things first: stop calling it a “budget.” Yikes! That word is daunting. Let’s call it a “spending plan” instead, ok?

Next: You have to have the desire to start managing your money. You want to see how much money you spend eating out. You want to cut back on your monthly utility bills. Maybe there is a fun trip you are planning for next summer and you’d like to have a good chunk of money set aside to spend. Or how about a little more Christmas money for that extra special someone’s Christmas gift? Whatever the reason, you have to want to take charge and move forward to make changes.

3 Baby Steps:

1. Automate your savings. This is the KEY to getting off on the right start. Automating a chunk of your paycheck to deposit into a savings account is a fool-proof way to set money aside. You don’t have to remember a monthly transaction, and the money is moved from checking to savings without you touching it. (Less temptation to spend.).

2. Take out your personal allowance in cash every month. Allowing yourself to spend some of your money every month is an absolute must! Decide how much and what the money can be used for (entertainment, fast food, gifts, etc.) and stick to it. Take the money, in cash, out of the bank and when it’s gone, it’s gone.

3. Use PowerPay. Powerpay.org is your new best friend. This is a free website that allows you to enter all your debts and see how long it will take to pay them off. Whatever steps you take to prepare for this holiday season, make sure you take time to manage your spending. Stop in or call your local USU Extension office for more money management tips or check www.usu.edu/extension.



Amanda is an Extension Assistant Professor for Utah State University. She has a master's degree in consumer sciences from Utah State and is proud to call herself an Aggie! Amanda loves teaching and enabling individuals and families to make smart money decisions.

Follow Me:

Twitter: @FamFinPro

Facebook: Fam Fin Pro

Instagram: @FamFinPro