

# EAP Matters

## *Committing to a Budget*

Having a monthly budget helps you both short and long term. Plus, the benefits of a budget are substantial: less worry about bills, reduced expenses, and the ability to afford more things you really need and want (remember to be thoughtful about how you define needs and wants).

Here are some tips to help you stay on track:

**Pay your savings “bill” first.** Treat savings as an obligation and have a set amount funneled directly to savings from each paycheck.

**Know your income.** How much do the earners in your household make in a week, month and year? This is the first step to setting realistic goals and knowing what you can afford.

**Give yourself a weekly allowance.** And just like you tell the kids: once it’s gone, it’s gone!

**Keep receipts and review them weekly.** Knowing what you spend is the flip side of knowing what you make. Collect receipts from your pocket, wallet or purse every night and save them. Then, review spending weekly. (Having the receipt from a debit or credit transaction is also really helpful if there’s ever a dispute with the merchant and/or card-issuing company.)

**Balance your checkbook.** While you’re at it, see if you qualify for overdraft protection from your bank or credit union. If so, sign up.

**Plan meals and shop ahead.** Eating out is a huge expense. Avoid running out of food by planning every meal and shopping weekly.

**If you’re ambitious, make a spreadsheet for your regular purchases.** List items you buy most, along with the cheapest price you’ve found. Check circulars to find this week’s items at the best prices.

**Set realistic goals.** From paying off a credit card to buying a house, you’re more likely to reach your goals if you define them.

**Build an emergency fund.** Shoot for enough to keep your family going for six months in the event you have unexpected expenses.

**Identify necessary expenses and overestimate them.** Food, electricity, heat, water, transportation, and insurance are the main necessities. When budgeting, overestimate by 10 percent to give yourself a safety margin.

For additional support with budgeting or other challenges you might be facing, contact your *Employee Assistance Program* at 320-484-4555 for personal, private, professional help.

*(This EAP Matters is adapted from an article at Mint.com)*