

Personal Finance 101: BUDGETING & SAVING

Budgeting is a crucial tool for achieving financial well-being. By creating a budget, you can ensure that you live within your means, avoid unnecessary debt, and save for future goals. It provides a clear picture of your financial situation, enabling you to make smart money decisions and prioritize your spending. Ultimately, budgeting fosters financial well-being and peace of mind.

Types of Budgets

You don't have to start from scratch! There are a few of the tried-and-true budgeting methods, but the best method is the one that works for you.



50/30/20 Rule

This method allocates **50%** of your income to essential expenses, **30%** to discretionary spending, and **20%** to savings and debt repayment. It's simple and flexible, making it easy to implement and adjust based on changing finances.



Scan to learn more budgeting tips. And be sure to follow us on social media!



LOW Budgeting

List all income and expenses
Organize everything you listed and prioritize it
Work on your new budget and adapting it



Zero-Based Budgeting

In this method, you start from **zero (income and expenses)** and justify every expense for each new period. If you can't justify it — or if you could cut back — reprioritize your expenses based on your income and savings goals.

"People with financial plans are much more likely to feel prepared, even in tumultuous times. They're more likely to feel that their dreams and goals are secure." ~ Jean Chatzky

How to Trick Yourself into Saving

Want to save even more? Here are five tips to inspire you!

- **Automate Savings:** Set up automatic transfers from your checking account to your savings account. This way, you save without even thinking about it.
- **Pay Yourself First:** Treat your savings like a bill that must be paid each month. Prioritize it before other expenses.
- **Use Cash Envelopes:** Allocate a set amount of cash for different spending categories. When the cash is gone, you stop spending in that category.
- **Create a 30-Day Rule:** Wait 30 days before making non-essential purchases. This helps curb impulse buying.
- **Visualize Goals:** Keep pictures or reminders of your savings goals where you can see them daily. This keeps you motivated.