

Effective Budgeting

Keeping your family on budget can grant more freedom than you might think.

When your income is limited, having a household budget is not only a good idea; it is imperative. Living on a budget might sound difficult. However, having a workable family budget is actually quite liberating and simple. It puts you in charge of your money, rather than allowing money to control your life.

Make Adjustments

If your budgeted expenses exceed your income, you need to make some adjustments. You only have two options: cut your expenses or increase your income. Increasing your income might not be an option and cutting your expenses could take some time.

For example, you might discover you don't earn enough money to support the amount you're paying in rent. You might need to find a cheaper home or apartment but breaking your lease is expensive, so you might be better off moving after your lease is up. You might need to sell your gas-guzzler and buy a more fuel-efficient car.

Quick Fix: Get rid of all non-essentials

Cable: You don't *need* cable. Suspend the service until you are able to afford it.

Cell Phone: If you have a monthly unlimited plan, you can find a less costly plan that provides a limited number of minutes. If you already have a minute plan, you could downgrade to a smaller plan and be more conservative about using your cell phone or get a prepaid phone.

Car: Consider walking more or riding public transportation for a while. Even leaving the car at home part time will equal big savings on gas.

Smoking: QUIT! Not only is it bad for your health, its bad for your wallet. Smoking a pack a day can cost you roughly \$200/month!

Dining out: Did you know that you can save \$150 per month if you pack your lunch or eat at home. \$5 per day doesn't seem like much, but it adds up!

Useful Tools

The websites listed below can help you create a budget and manage your finances for free.

www.mint.com

www.yodlee.com

For more information
please contact

Lawsuit Financial
1-877-377-SUIT

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