

BUDGETING

Budget does not mean boring, no fun, cheap is better.

A budget is simply a plan of how to manage money.

Budgets are divided into two general categories:

Income: the \$ you get

Expenses: the \$ you spend

Anything left over is called Savings.

The best way to start on a budget is to keep a spending log. Keep a record of every penny you spend.

This helps you see where your money goes. You may be very surprised how quickly \$5 here and \$5 there adds up to spending hundreds of dollars per month.

Even tracking your spending for a few days can be enlightening.

Probably the easiest way to keep track of your expenses is with a phone app.

[Simple Spending Tracker](#) for Droid is a free app which works well.

[Spending](#) has this free version and is highly rated for iPhones.

I personally like and use Mint which is listed as the best of [10 Free Budget Apps](#).

You should also identify any regularly recurring expenses like insurance, phone bills, car payments, etc.

Finally, think about your long-term goals (things that cost more than what you get paid on a typical paycheck). Make a list of all your long-term goals. Typically, these would include housing, automobiles, education, retirement. Don't forget fun stuff like vacations, electronics, clothes, sporting goods.

A good budget is not about denying yourself the things you enjoy. It's about planning how to have those things without interfering with your ability to take care of your daily, weekly and monthly living expenses.

Open the shared Google Sheet, [BudgetPlanner](#), save it to your Google drive and begin filling it out.

If you don't save it locally or on your Google drive, the next person to use it will see and/or overwrite your data.

