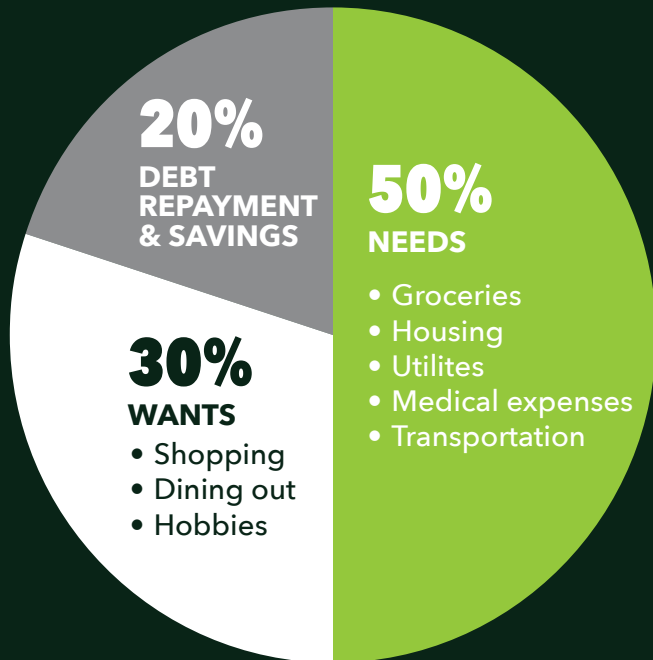


# TIPS TO MANAGE MONEY

- Autopay bills for on-time payments
- Wait 24 hours if you weren't planning on purchasing something to prevent impulse purchases
- Buy groceries over dining out
- Consider using cash for smaller purchases
- Use coupons, discounts, rebate apps, etc.

# 50/30/20 BUDGETING RULE



# NOTES

# CONTACT US

**IF YOU HAVE QUESTIONS  
OR NEED ANY RESOURCES**



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# MONEY MANAGEMENT

 **EMUCU.ORG**

Playbook<sup>xx</sup> for  
**Prosperity**  
x

# TRUTH OR MYTH

1

**You should cut out all your wants from your budget to save as much money as you can.**

**Myth** - It's important to always leave some room in your budget for wants. If all your money is going towards only needs and savings, it won't be sustainable.

2

**A budget will be more sustainable if you make small changes over time.**

**Truth** - Just like a diet, it's easier to adapt to change when it's done slow and steady rather than fast and furious.

3

**Keeping track of expenses in your head is just as effective as having them written down.**

**Myth** - Tracking expenses on paper, a spreadsheet, or app is more effective because you can see the numbers, totals, and categories of where you're spending money.

4

**"Pay yourself first" means to prioritize savings as a mandatory expense like housing.**

**Truth** - Making savings a priority in your budget can help make it a habit rather than an afterthought.

5

**Small expenses, like coffee, don't make a big difference in your budget, so you don't have to pay attention to them.**

**Myth** - Even though they may not cost a lot, small expenses can sometimes add up more than we realize and could take away extra money for savings, debt repayment, or bigger ticket expenses. Track them closely and set a budget!

6

**You can make your budget as detailed or as broad as you'd like.**

**Truth** - The whole goal of a budget is to balance your income and expenses. Some people like to break down every single category and have expenses to the exact cent, where others like to be more general and round up their expenses.

## 5 STEPS TO CREATING A BUDGET

One of the most important steps to achieving financial wellness is consistently using a monthly budget (often referred to as a spending plan). Follow the five steps below to help you create this valuable tool and keep your finances well-managed.

### 1 Calculate your monthly net income

- Only use income that is regular and reliable

### 2 Separate your expenses into fixed, variable, periodic

- Fixed expenses stay the same every month
- Variable expenses occur frequently but the amount changes each month
- Periodic expenses occur a few times during a calendar year

### 3 Create a realistic plan and track all spending

- Use a budget notebook, app, or other method to document monthly income, all expenses, savings, and debt payments
- Tracking helps you spot areas where you might be overspending and figure out areas to adjust

### 4 Set financial goals

- Create specific and attainable goals that can be measured
- Working towards a goal makes saving feel rewarding and keeps you motivated

### 5 Decrease spending & increase income if there's a budget deficit

- Explore ways to increase income, such as part-time work or a side hustle
- Strive to reduce spending in the variable categories until your budget is balanced