

Budgeting

Creating a budget built for YOU.



PACIFIC NW
FEDERAL CREDIT UNION

Creating a budget is easy. Sticking to one? Much harder.

Pro tip? Build a budget that matches YOUR needs, wants, and income. Everything we present from this point forward should be heard with that statement in mind.

EVERY SINGLE BUDGET SHOULD BE BUILT TO THE INDIVIDUAL.
Consider it your fingerprint of spending.

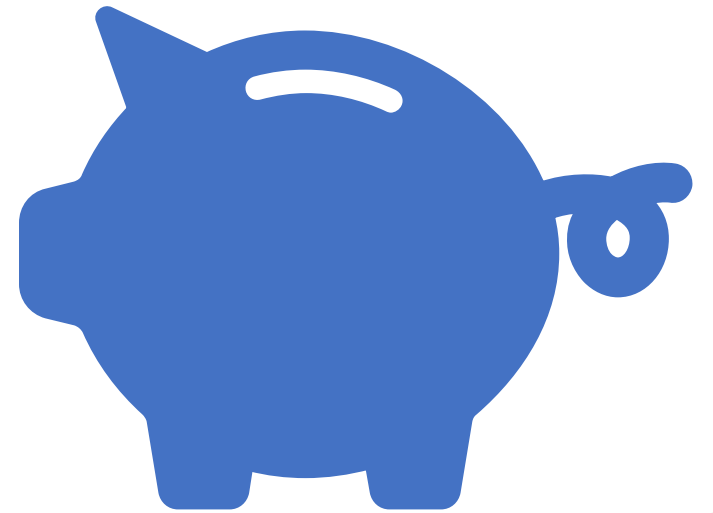


Making and sticking to a budget is a key step in understanding your financial situation.

Goals could include:

- Emergency Savings
- Buying a car
- A downpayment on a home
- Retirement
- Travel
- Entertainment
- ANYTHING you find valuable and worth saving toward

Until you get a realistic picture of how much money you're bringing in and where it's going, it's difficult to know whether you'll have enough left over to put away. So, let's get started!



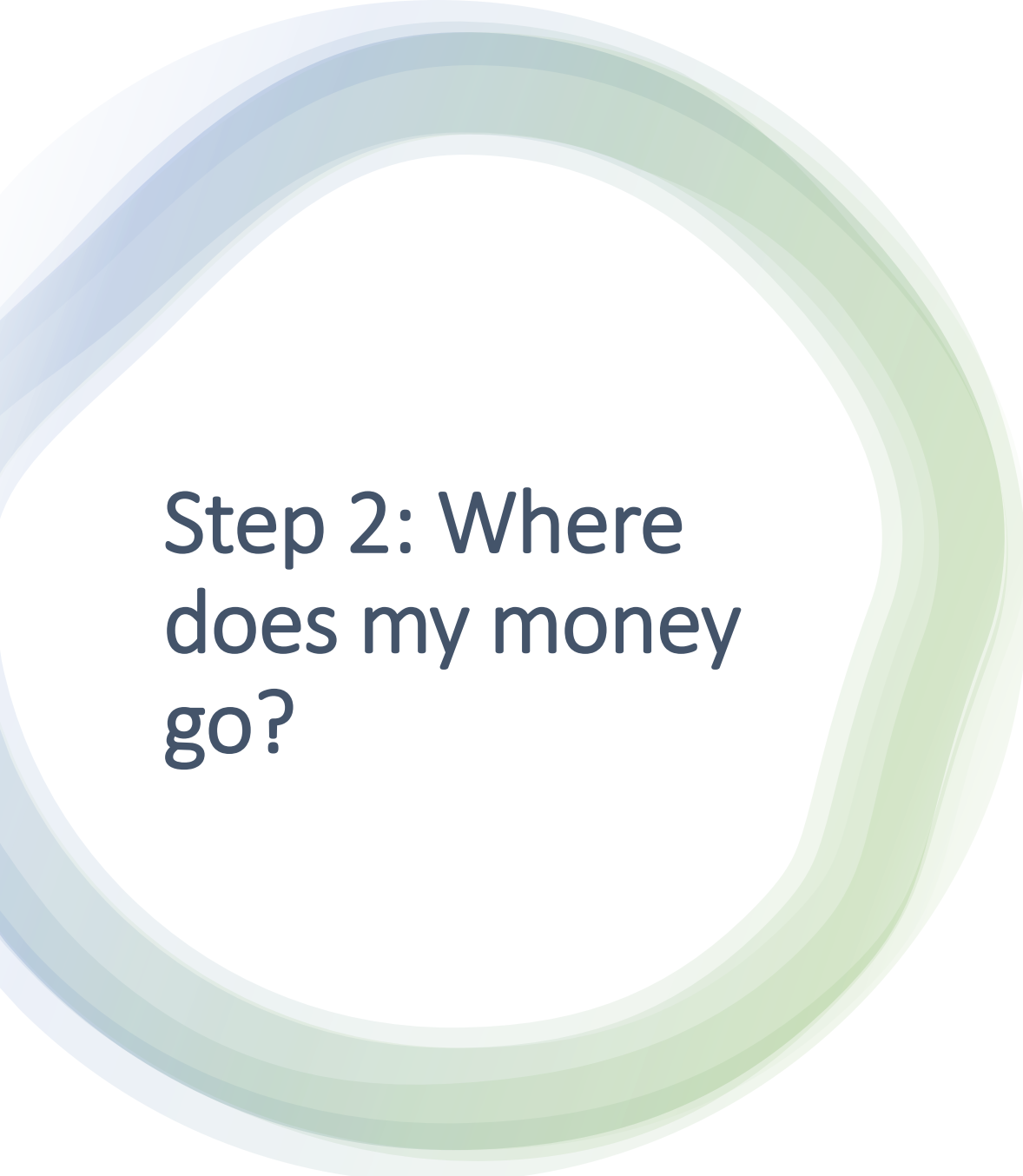
Getting started can be the hardest part!
Follow these steps to make it easier.



**Step 1: Where does
your money come
from?**

Income Tracking

Use the included document to track all forms of income. This can include regular income, one-time payments, child support, etc. If it's money you can count on, include it on your income tracker.

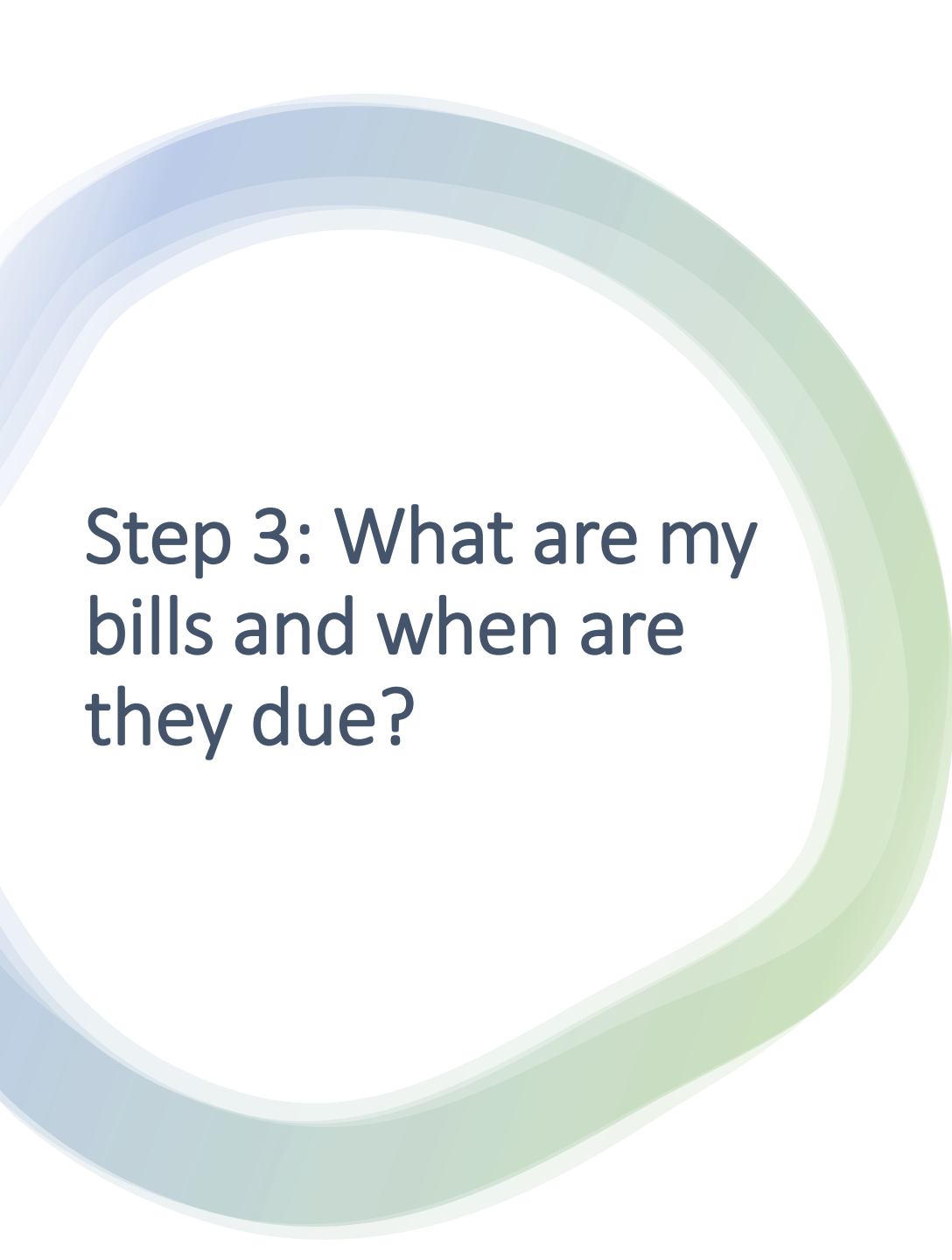


Step 2: Where does my money go?

Log Your Spending


Equally important but the heaviest lift is **logging your spending**, so you get a realistic picture of what your money, on an average month, is going to. Our Spending Tracker helps you both log and sort your spending by category.

Overwhelmed? Start small and look at your expenses one week at a time by either reviewing your receipts or checking account. You could also start a daily log of your expenses so you're making sure to capture those small expenses -- like buying breakfast or lunch instead of bringing it with you -- that add up over time.



Step 3: What are my bills and when are they due?

If you're coming up short at the end of the month, it could be that the timing for your bills and income don't match. Our Spending Tracker is designed to help you remember when your bills are due but also keep in mind weeks when you need to be careful about your spending. Missing payments or not paying on time can also have larger impacts on your credit scores and overall financial well-being.



Step 4: Create your working budget

Once you've identified all your income sources and started tracking your spending and when your bills are due, our Budget Worksheet pulls everything together, so you have a working and realistic budget.

Sticking to a Budget

Changing your money habits won't happen overnight. Making – and sticking – with a budget takes effort, but here are a few important tips for being successful.

Set a Goal

Whether it's small or large, it's helpful to have an end goal and something you're working towards.

Rewarding yourself, even in small ways, can help you keep up with any progress you've made.


What works for you?

Create a budget that meets your specific needs. Lofty goals are great, but is it realistic and can you stick to it? If yes, then go for it! If you question if you will be able to stick to it, find a smaller starting point and work your way up to your lofty goal.

Small changes can make BIG differences. Don't hesitate to start with just one small thing that will add up over time. Once that change is a habit, add one more thing until you've cleaned up your financial habits.

Analyze your spending habits

This is an opportunity to take a comprehensive look at your spending, and it is also the easiest way to look for areas where you can cut back. If you know you're prone to impulse spending, create a plan that's doable to help you limit that spending.



Find an Accountability Partner!

What's an accountability partner? Simply put, it's someone who agrees to help cheer you on and make sure that you're keeping on track with your goals. An accountability partner can be used to stay on track in many areas of your life: weight loss, keeping up with a hobby, or in this case, staying on track with your financial goals.

What to look for in an Accountability Partner?



Review

- Budgeting is HARD
- Make a plan that is made for YOU
- Make small changes, one at a time
- Be realistic
- Figure out your needs before worrying about your wants
- Find someone who can help keep you accountable to your goals.

