



Budgeting 101

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We Help. We Educate. We Give Hope.





Top Reasons We See for Financial Trouble

1. Unemployment / Underemployment
2. Excessive use of Credit or Using Credit for Living Expenses
3. Injury / Illness
4. No Budget / Lack of Financial Education
5. Separation / Divorce and Family Expenses
6. Failed Business/Used Credit for Business Expenses
7. High Housing Costs

Agenda



- Money Values
- Goal Setting
- Budgeting Basics
 - Making a Budget
 - Expense Tracking
 - Paycheque Planning

Objectives



By the end of this session, you will be able to:

- Describe your money values & goals
- Explain how tracking helps you budget successfully
- Create a budget for all your expenses
- Describe 2 ways to keep your savings safe from yourself



**What do you want to
get out of being better
with your money?**

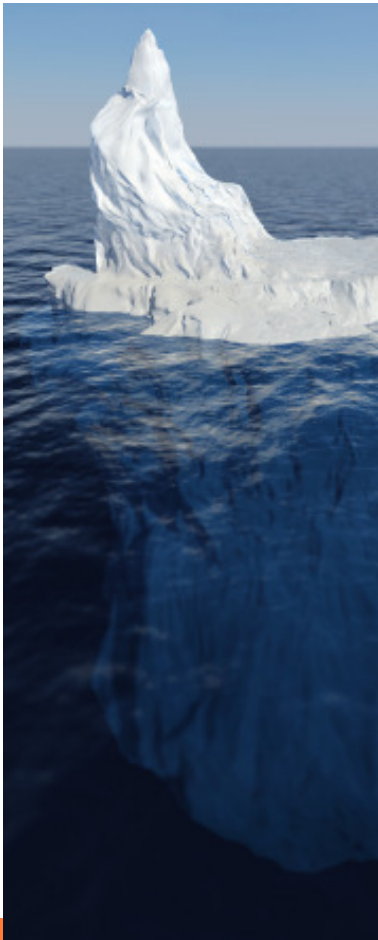
What's in it for us?



- Reduce stress
- Sleep better
- Have control of our money
- Hope

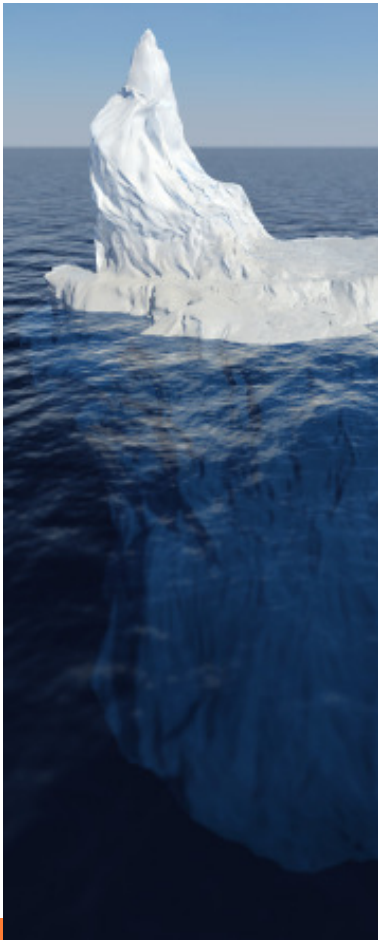


Money Values



**What does money
mean to *you*?**

Money Values



Common money values:

- Safety and security
- Freedom
- Choices
- Ability to give back (charity)
- Comfort
- Adventure

Setting Goals



Goals will guide your decisions and help you determine how to spend your money.

- Short term: 6 – 12 months
- Medium term: 3 – 5 years
- Long term: 10 – 15 + years

Break your goals down into realistic amounts, according to your pay cycle.

Set SMART Goals



Set SMART goals for the choices you make!

Specific

Measurable

Achievable

Relevant

Timed

Set SMART Goals



Goal setting in action:

My goal is _____

I want to achieve it _____

The total cost of my goal is \$ _____

I will set aside \$ _____ / pay to achieve this goal.



Set SMART Goals



Goal setting in action:

My goal is **to go on a vacation.**

I want to achieve it **in one year.**

The total cost of my goal is **\$1000.**

I will set aside **\$39 / bi-weekly** pay to achieve this goal.



Goal Setting Tips



- Set clear goals – life happens so they may change over time, and that's ok
- Pay yourself FIRST!
 - Make saving automatic
- Use separate accounts for each goal
 - But watch for fees



Budget Basics



**What comes to mind
when you hear the
word “budget”?**



Budget Basics



What is a Budget?



A **written spending plan** – spending now and saving to spend later.

- It's based on our own choices and priorities.

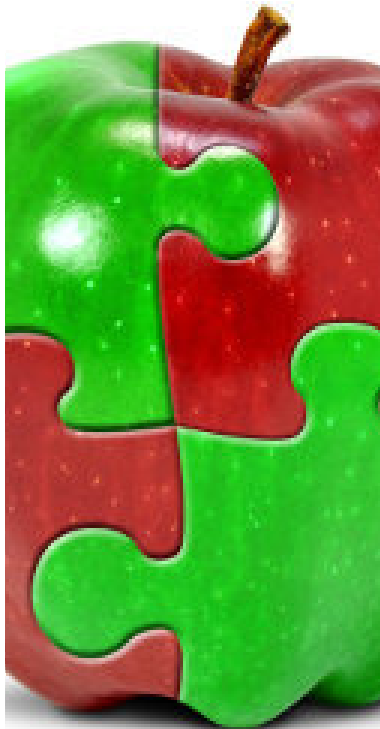
A stylized human figure logo consisting of a blue swoosh for the body and an orange swoosh for the arms, with an orange circle for the head.

CCS Excel Budget Calculator

Download the free budget calculator from our website!

www.mymoneycoach.ca

- Detailed list of expenses
- Does the math for you!
- Save to your computer for updating and review



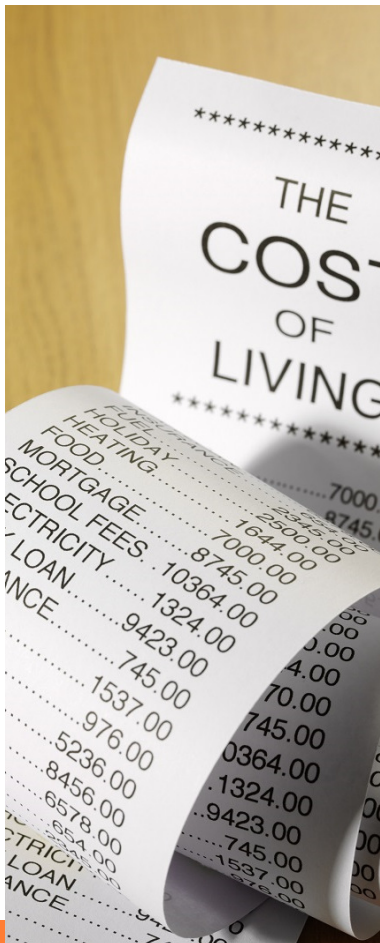
A Budget Includes:



- Our take-home (net) pay
- Our monthly living expenses
- Money to be put aside for
 - Irregular expenses
 - Emergency expenses
 - Savings goals

Expense Tracking

Who has tracked
their expenses?



Expense Tracking



Tracking makes a budget work!

- It tells us the truth
- It shows our habits
- It shows where we can make changes
- It gets us in control

Week 1 FROM Sept 5 TO Sept 11

Transfer all of your actual weekly income and expense totals to the monthly summary on pages 12 – 13.

Income Mike's

\$ 53.82 + \$ 879.01 + \$

cash on hand wages/pension child tax benefits

+ \$ = \$ 932.83 **Total Actual Income**

support payments/other

Dates	HOUSING	UTILITIES	HOUSEHOLD	GROCERIES	LIVING	TRANSPORTATION	HEALTH CARE
5th							
6th				88.71			
7th					70.00		
8th				14.10			
9th							
10th		68.73			133.00		
11th							
Total Actual Expenses		68.73		102.81		203.00	

PERSONAL	EATING OUT	ENTERTAINMENT	CHILDREN	DEBT PAYMENTS	SAVINGS		
	38.72	8.53			75.00		
			400.00				
	38.72	8.53	400.00		75.00		

Total Actual Income \$ 932.83 minus Total Actual Expenses \$ 896.79

= Cash Forward (record as income next week) \$ 36.04

Ways to Track Expenses



- Pencil & paper
- CCS tracking booklet
- Spreadsheet or other software
- Envelopes for receipts
- Smartphone app
 - Start with a few categories

Find the system that works for you!

Irregular Expenses

What are some expenses that occur once in a while?

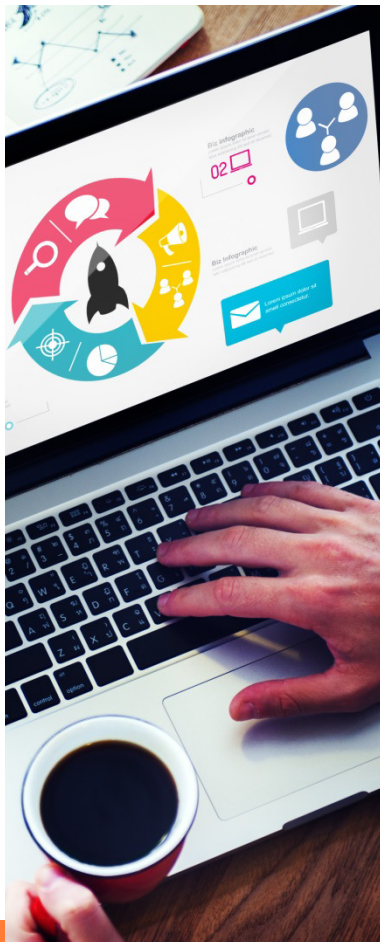




Irregular Expenses

Housing	Living	Work	Personal
Property taxes	Car insurance	Special clothing	Clothing/shoes
City utilities	Auto maintenance	Work supplies	Education
Repairs & maintenance	Annual memberships	Licenses or professional fees	Holidays/birthdays
Household items	Dentist/ Optometrist		Hair care/salon services
Appliances	Pet bills		Hobbies
	Prescriptions		

Managing Irregular Expenses



Create a plan to deal with them!

1. Open up a new bank account
2. Add up the cost of every irregular expense for a whole year
3. Divide by your number paydays
4. Deposit this amount into the new account with each payday
5. Track the “ins” and “outs”

Saving for Irregular Expenses




Example:

- Annual irregular expenses: \$2400
- Monthly deposit: \$200/month
- Biweekly deposit: \$93/pay

A stylized logo consisting of a blue swoosh that curves upwards and then downwards, with an orange swoosh that curves upwards and then downwards, intersecting the blue one. An orange circle is positioned above the intersection, resembling a head.

Emergencies

A photograph of a man with dark hair and a beard, wearing a black shirt. He is looking down at a document he is holding in his left hand, with his right hand resting on his head, suggesting stress or confusion.

**What are some
emergency expenses
you've encountered?**

Emergencies

Emergencies happen!

- We just don't know when, what, or how much they will cost us!

An emergency fund will turn most emergencies into *inconveniences*.

- Short-term: aim for \$1000
- Long-term: 3-6 months' expenses



Manage our Savings



How can we keep our savings safe from ourselves?



Manage our Savings

Some ideas:

- Remove ATM/debit access to savings
- Joint account
- Automatic transfers
- Go into the branch to withdraw cash



52 Week Money Challenge

Week	Deposit	Balance	Week	Deposit	Balance	Week	Deposit	Balance
1	\$1	\$1	18	\$18	\$171	35	\$35	\$630
2	\$2	\$3	19	\$19	\$190	36	\$36	\$666
3	\$3	\$6	20	\$20	\$210	37	\$37	\$703
4	\$4	\$10	21	\$21	\$231	38	\$38	\$741
5	\$5	\$15	22	\$22	\$253	39	\$39	\$780
6	\$6	\$21	23	\$23	\$276	40	\$40	\$820
7	\$7	\$28	24	\$24	\$300	41	\$41	\$861
8	\$8	\$36	25	\$25	\$325	42	\$42	\$903
9	\$9	\$45	26	\$26	\$351	43	\$43	\$946
10	\$10	\$55	27	\$27	\$378	44	\$44	\$990
11	\$11	\$66	28	\$28	\$406	45	\$45	\$1,035
12	\$12	\$78	29	\$29	\$435	46	\$46	\$1,081
13	\$13	\$91	30	\$30	\$465	47	\$47	\$1,128
14	\$14	\$105	31	\$31	\$496	48	\$48	\$1,176
15	\$15	\$120	32	\$32	\$528	49	\$49	\$1,225
16	\$16	\$136	33	\$33	\$561	50	\$50	\$1,275
17	\$17	\$153	34	\$34	\$595	51	\$51	\$1,326
						52	\$52	\$1,378

How to Build Savings

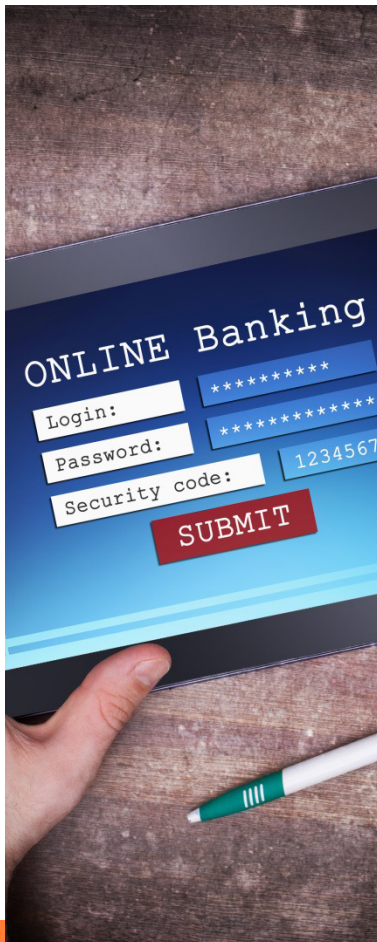


If you receive a lump sum of money, use the 40-40-20 rule:

- 40% goes into savings
- 40% goes to repay debt
- 20% is for fun!



Put Your Plan into Action



Paycheque Planning

Paycheque Plans

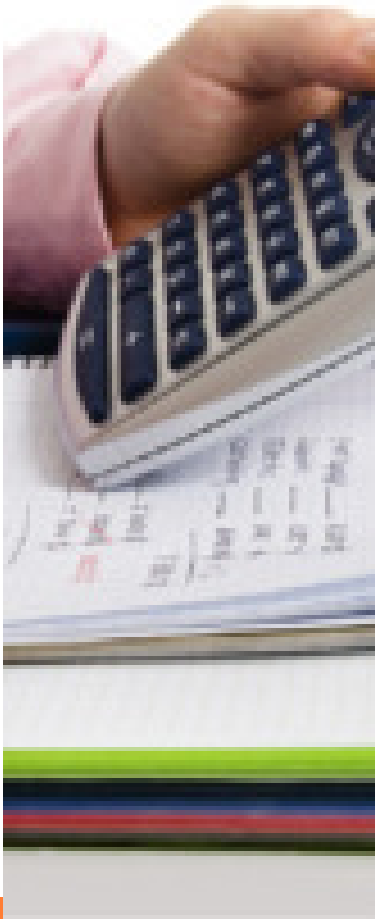


A plan for what we will spend, and *when* we will spend

- Match spending to when income arrives
 - Avoid non-sufficient funds (NSF) charges!




Paycheque Plans



We all have 3 kinds of expenses:

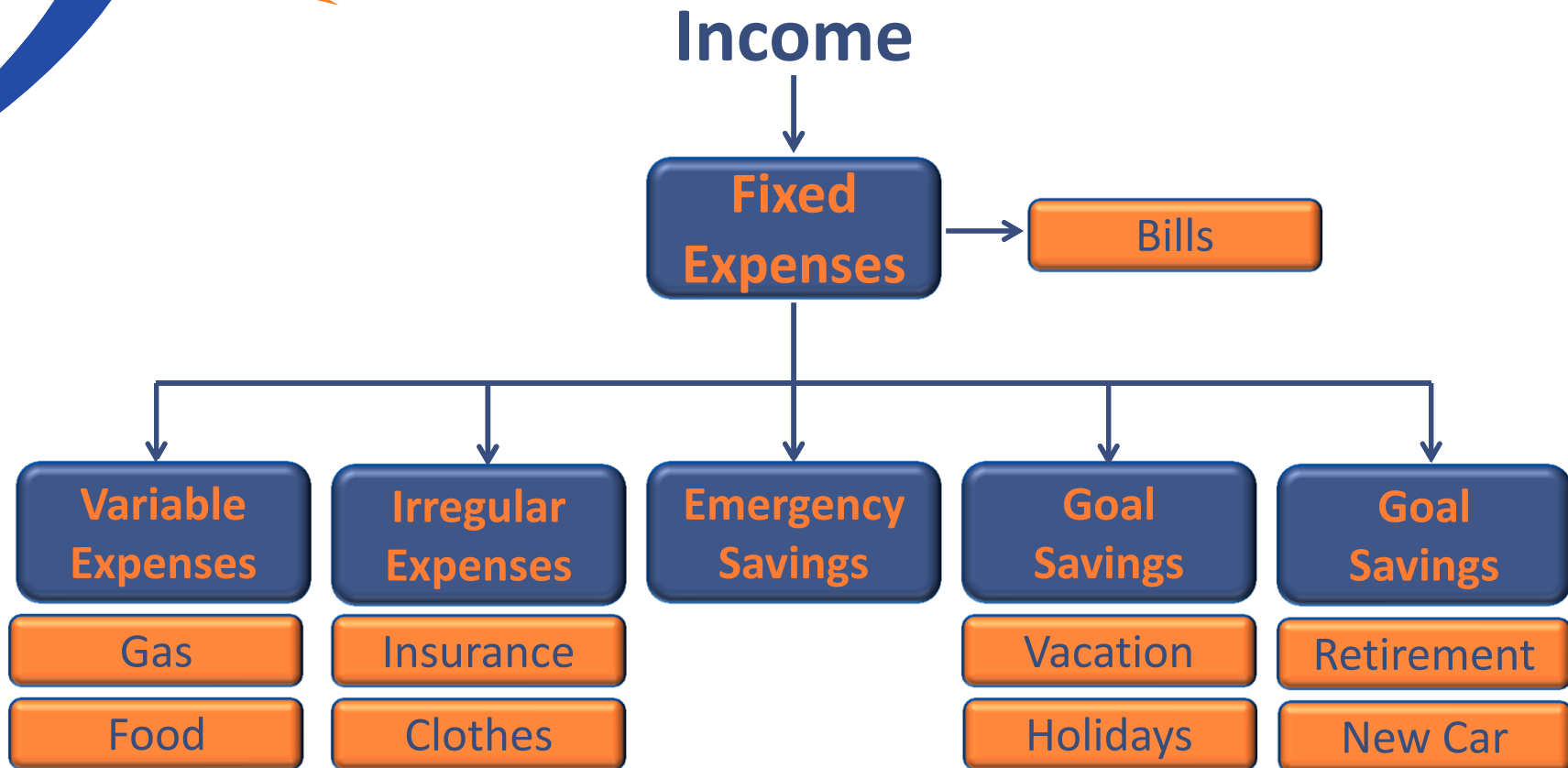
- Fixed expenses
 - Same date & amount each month
- Variable expenses
 - Regular but amounts & dates change
- Savings expenses
 - Irregular, emergency, goal savings



Example Budget: \$1982 Net Income

Fixed Expenses	Cost	Variable Expenses	Cost	Savings Expenses	Savings Type	Cost

Organize Your Money



Next Steps

1. Write your budget down
2. Start tracking your expenses
3. Add up irregular expenses and open a new savings account
4. Build savings – even \$10 counts!
5. Track and check how you're doing



Conclusion



Now you are able to:

- Describe your money values & goals
- Explain how tracking helps you budget successfully
- Create a budget for all your expenses
- Describe 2 ways to keep your savings safe from yourself

Money Tips



- Write down your goals and keep them visible
- A budget without expense tracking isn't a budget, it's a wish list!
- Pay yourself first and make savings automatic
- Use multiple bank accounts (free) to make budgeting easier

Free tools and resources available at:

 myMoneyCoach.ca



Learn More

- Sign up for our monthly newsletter
- Check out our social media for daily tips and articles



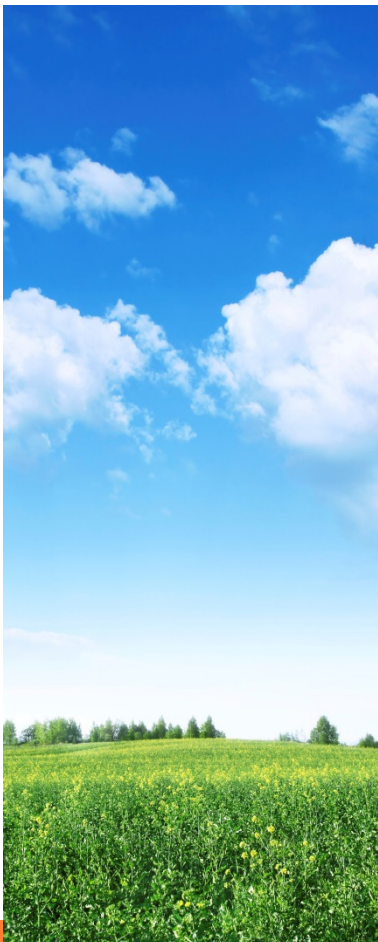
Facebook



Twitter



Instagram



A stylized human figure composed of a blue swoosh for the body and an orange swoosh for the arms, with an orange circle for the head, positioned in the top left corner of the blue header bar.

How We Help

A vertical photograph of a wooden signpost with two green directional signs pointing left and right, set against a blue sky and green grass.

Book a free financial consultation with
one of our Credit Counsellors

1-888-527-8999

Message us through our online chat

NoMoreDebts.org

A stylized human figure composed of a blue swoosh for the lower body and an orange swoosh for the upper body, with an orange circle for the head. The figure is positioned on the left side of the slide, partially overlapping a blue horizontal bar at the top.

**Do one thing today to better
your financial tomorrow.**

1-888-527-8999

NoMoreDebts.org