

# Family Finance

## Where Do We Want to Be

Tracked spending

Budget

Current spending is where we are, budget is where we want to go.

Guideline budget.

Three-step process.

1. Compare. How does your current spending measure up to the suggested amounts.
2. Analyze. Are there areas where you can and should change.
3. Decide. Determine what you need to do in terms of making adjustments and set that as your budget.

Make it work.

Just like you tracked your spending, you are now entering each expense.

1. Over spending in a certain category.
2. Underspending. There are cautions.
  - a. Some spending may be variable. (The cost goes up and down)
  - b. Some spending may not be monthly.
  - c. If you are wondering if you can spend money on something, don't go to your bank account and say, "Do I have enough". Go to that specific category in your budget and say "Do I have enough". You may have extra in the bank that has to be spent on something else later.