Mother Jai's Wellness
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FINANCIAL PLANNING

There are several essential steps to becoming financially stable:

1. **Create a Budget:** Having a monthly budget is the first step in taking control of your financial life. Finding the right balance of spending and saving could help you grow your money for tomorrow.
   - **a.** Estimate the amount you would spend on housing, groceries, utilities, transportation, health insurance and everything else that's essential to your life each month.
   - **b.** Now approximate your monthly spending on new clothes, dining out, movies and other ways to treat yourself.
   - **c.** The rest of your monthly budget is setting aside money for tomorrow: your retirement contributions, building an emergency fund, paying off credit card debt and more.
   - **d.** Total your budget and determine what's left of your income, if any, and determine where you can apply the excess or come up with any deficiencies.
   - **e.** Becoming aware of your spending can help you begin to control it.

   Fill in your monthly budget below:

Expense	Amount
Total	

What is your monthly income?

What is your debt to income ratio?

2. **Determine Why Money is Important to You:** once you know what you want money for you can begin finding ways to acquire or grow it. Answer the following questions.

What do you want to use your money for? Identify 3-5 financial goals.

What are some of your reasons for spending money?

Where do you want to be 20-30 years from now? Or, make a guess about where you will be.

How much do you have now? Use the table below to list your assets and liabilities.

Asset & Value	Liability & Value
Total:	**Total:**

Looking at your lists above, what do you have to work with to start saving and planning for the future?

3. **Save as Much as You Can:** purchase just enough of the essentials, modify your spending, and pay off debt faster to have more for emergencies, savings, and fun.
   - **a.** Purchase just enough life insurance to cover you now.
   - **b.** Purchase just enough car/home insurance to cover actual values.
   - **c.** Paying off debt as soon as possible reduces interest costs.
   - **d.** Consider the actual value or usefulness of purchases before they are made; you'll spend less.
   - **e.** Consider if this purchase can be put off until it is on sale; you'll spend less.
   - **f.** Choosing store brands over name brands reduces overall spending.
   - **g.** Put something away at least once a month; $5 dollars a week adds up to $260 a year!
   - **h.** Invest with fewer risks and greater rewards; diversify investments in to multiple funds.
   - **i.** Stick with it, it will get easier the more you work with it.

What are some ways that you may spend too much?

How can you use these tips to spend less and save more?