

BUDGETING BENEFITS FOR YOUR FINANCIAL VISION AND GOALS

Budgeting helps you attain special goals. Find out exactly where you are right now. Get all your financial bills and statements in order. It may not be very pleasant to find out how deeply you are in debt, but you might as well face it. Otherwise, you'll continue in the same old rut—digging ever deeper. Once you have noted all your debts, put down what income you realistically can expect in. Let's hope you have more income than outgo! If you find that is not the case, get in the habit of living below your means.

If you are typical, you'll find your debts cannot be paid off right away. That's where budgeting comes in. Having a budget to many people is distasteful. It's like having to go on a diet or like being a child told to go to your room. It seems like punishment for alleged wrongdoing.

A budget provides a blueprint for reaching those goals. A budget might be compared to a blueprint or map. It suggests a plan or route for getting from where we are to some other place. A financial plan shows where you are now and how you might gain what you want to accomplish.

A budget systematizes one's money affairs and aids in accomplishing goals. A budget, or plan, is a tool that is used in managing money. However the budget does not do the managing. People do.

A carpenter would never start work on a new house without a blueprint. An aerospace firm would never begin construction on a new rocket booster without a detailed set of design specifications. Yet many of us find ourselves in the circumstance of getting out on our own and making, spending and investing money without a plan to guide us.

Budgeting is about planning. And planning is crucial to produce a desired result.

A budget allows you to take advantage of opportunities. Knowing the exact state of your personal monetary affairs and being in control allows you to take advantage of opportunities that you might otherwise miss. Have you ever wondered if you could afford something? With a budget, you will never have to wonder again—you will know.