



MONEYWISE

VALUING PEOPLE. VALUING MONEY.

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THIS MONTH'S TOPIC: SPRING CLEAN YOUR BUDGET

As you spring clean your home this year, also consider spring cleaning your household budget. Like our homes, our budgets need annual maintenance. As changes occur with our income, expenses, and financial goals, we need to be in the habit of regularly evaluating our spending and savings practices. Whether you're preparing for tax season, or dreaming of your next vacation, spring cleaning your household budget keeps your wallet focused on financial priorities.

REMOVE "DUST BUNNIES"

Start financial spring cleaning by looking at what's collecting dust in your accounts. Is there a service, membership, or subscription you're no longer using? To save money, clean up any automated charges you may have forgotten about. Did you start a free trial but forgot to cancel it? Have you stopped going to the gym but never ended your membership? Are you paying for a home phone line you never use? Or a data storage plan you don't need anymore? Is there a monthly subscription that would be cheaper if you paid annually? Overlooked fees, services, and recurring charges are often easy "cleanups" that will put money back in your account.



MAKE FINANCIAL REPAIRS

Like our homes, our budgets may need repairing from time-to-time. Consider your **needs** (such as housing, food, and monthly bills) versus **wants** (such as streaming services, restaurant meals, and anything "extra"). Are your financial priorities aligned? Do you focus on purchases that are most important to your family? You may need to identify parts of your budget that need repair. Also take the time to reflect on any changes to your financial situation. Have you taken on any new debt or added any new reoccurring expenses? If so, make sure they are reflected in your current budget.



START FINANCIAL SPRING CLEANING BY LOOKING AT WHAT'S COLLECTING DUST IN YOUR ACCOUNTS



Look ahead to expenses you anticipate in the upcoming year or next few years. Then draft a savings plan so that you're prepared when the time comes. Perhaps you're saving for a child's braces, a vehicle for a teen driver, or a new dishwasher. Work backward from the expected purchase date to determine how much money to save from each paycheck. For example, if you anticipate your 8-year-old will need braces in three years (estimated cost \$5,000), you'll need to save approximately \$140 a month for three years to pay for the braces in full.

CELEBRATE YEARLY SUCCESSES

Each year it's also important to recognize (and celebrate!) any financial progress you've made. For example, have you paid off a debt, saved for an intentional purchase, started an emergency fund, or contributed to your retirement account? These financial practices require discipline and deserve recognition. As you review past

spending trends and spring clean your budget, be sure you are "paying yourself first" by including consistent contributions to savings.

KEEP YOUR FINANCES ON-TRACK

Spring cleaning your budget does not mean removing all flexible spending. Rather, look at it as "tidying up" your spending choices so you know where your money goes each month. This keeps your financial priorities in focus. A helpful way to see where your money goes is to track your expenses. Try using a simple tracking tool such as this one provided by the Consumer Financial Protection Bureau at <https://www.consumerfinance.gov/about-us/blog/track-your-spending-with-this-easy-tool/>. Tracking your spending includes saving your receipts and tallying everyday purchases and recurring bills. This spring, give your household budget a refresh and set yourself up for financial success all year long.

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