

Epic Mistakes to Avoid when Creating your Budget

*This free tip sheet was produced by the Cheapskates Club –
www.cheapskatesclub.net*

1. FAILING TO HAVE AN EMERGENCY FUND

Unexpected expenses can blow your budget. It's not really possible to build a specific major car repair into your budget, but you can have the money set aside to protect your budget from unexpected occurrences by having a category in your budget for car repairs, household repairs, appliance repairs and so on.



2. FAILING TO TRACK EXPENSES

After you make a budget, you must still track everything to see how well you're sticking to it.

3. NOT HAVING ENOUGH FLEXIBILITY

Budgets are not set in cement; they are meant to be fluid so they can cope with the ups and downs of income and expenses. Some months you'll have to spend more in some categories and less in others.

4. NOT BEING REALISTIC

You can't feed a family of five on \$75 a month, but you can feed a family of five on \$300 a month.

5. TRYING TO MAKE A BUDGET WITHOUT YOUR SPOUSE

Money is already a common source of friction in a marriage. You'll be frustrated and your spouse will feel like they are being controlled if your budget isn't a joint effort.

6. NOT BEING ABLE TO SAY "NO"

Saying 'yes' too often will destroy any budget. You'll have to take a pass on some opportunities to go out for coffee, dinner, drinks, or outings with your friends.

7. NOT HAVING ANY FUN

If your budget is so tight that you're miserable, you probably won't stick with it. Budget a small amount of money for affordable entertainment.

8. LEAVING OUT THE ANNUAL EXPENSES

These are harder to remember. Christmas presents and clothes for school are two examples.

9. LETTING THE ATM EAT YOUR BUDGET \$3 AT A TIME

Look for a bank or account where you can conveniently access your money for free.

*The Cheapskates Club
Showing you how to save
money, time and energy and
still have fun!*