

# BUDGETING METHODS THAT JUST MAKE CENTS

A Quick Guide to Budgeting for Beginners

# Budgeting Methods that Just Make Cents: A Quick Guide to Budgeting for Beginners

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# LETTER FROM THE EDITORS

If you don't have a budgeting system in place, you're likely losing track of hundreds of dollars in spending each month. When you look at your bank account statement, you may be surprised to find how little remains after each paycheck. This budgeting eBook will outline a variety of beginner budgeting methods that can be adapted to fit your spending habits and savings goals. There are also simple budgeting solutions that will help you keep more of the money you've earned and supplemental income ideas to increase your monthly revenue.

Whether you've tried to start a budget in the past to varying degrees of success or you're ready to start tracking your spending for the first time, one of these Budgeting Methods that Just Make Cents will be perfect for your finances. No matter if you are a conscious consumer or a senseless spender, you will be able to curb your spending habits to save more of your hard-earned cash.

When you are able to see where all of your money goes, it can be shocking at first, but you will be able to take action to ensure you don't overspend. Start tracking your finances today with these beginner-friendly budgeting ideas!

Our eBooks, like all of our site material, are absolutely FREE. Please feel free to share with family and friends and ask them to sign up at our website for free newsletters from [CheapThriftyLiving](https://www.cheapthriftyliving.com/).

Happy Budgeting,

*Editors of CheapThriftyLiving*

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# TABLE OF CONTENTS

<b>Part 1: Budgeting Methods</b> .....	5
Three-Category Budget .....	6
50/30/20 Budget .....	9
Envelope Budget .....	11
Zero-Sum Budget .....	15
Budgeting Rules of Thumb .....	17
Free Budgeting Worksheet .....	22
<b>Part 2: Budgeting Solutions</b> .....	23
Creating Multiple Streams of Income.....	24
Passive Income Ideas .....	28
Cut Back on Expenses.....	31
How to Save on Gas.....	36
Save on Your Electric Bill.....	39
Save on Your Water Bill.....	42
Couponing for Beginners.....	44
Money Saving Hacks.....	47

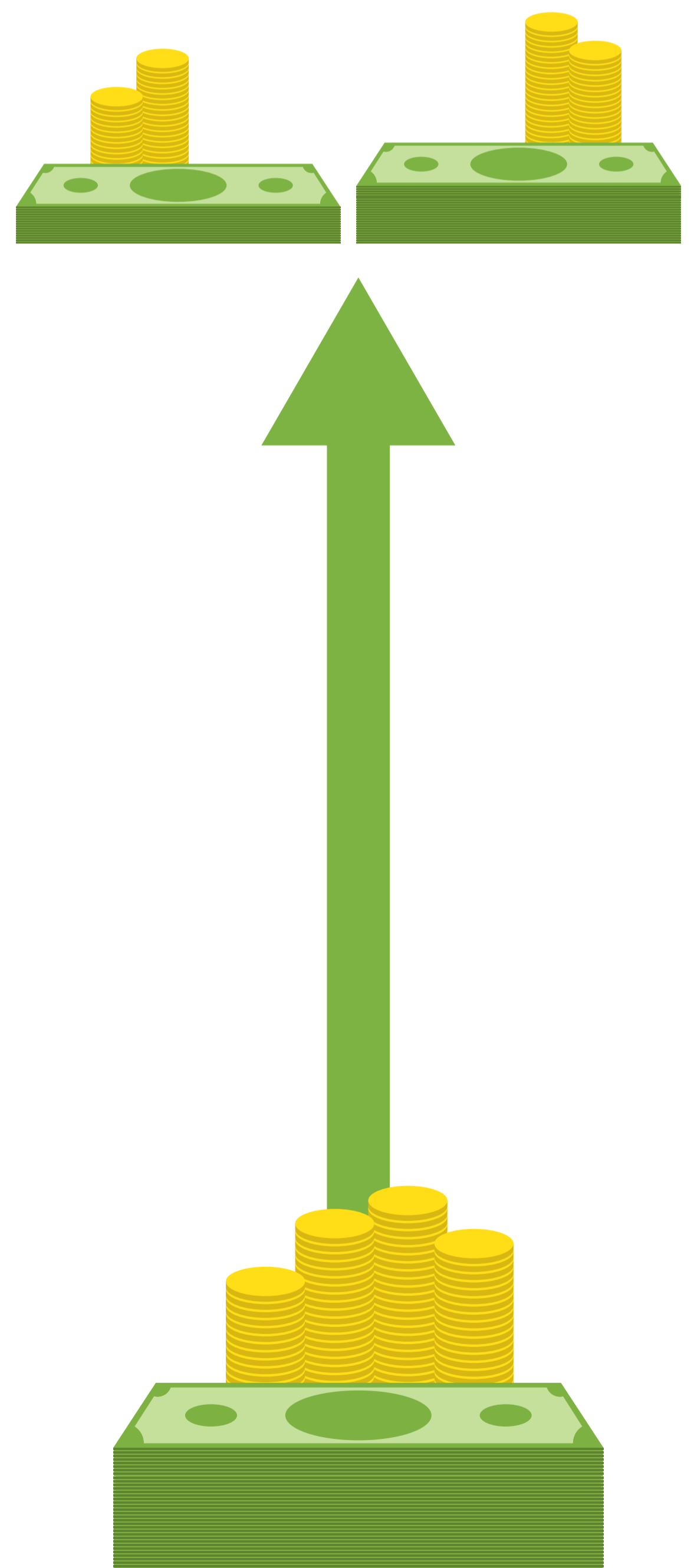


# PART 1: BUDGETING METHODS

If you've never started a budget, the task can be daunting. These beginner-friendly budgeting methods will teach you easy ways to curb your spending, so you can track every dollar you earn and where it's being spent or saved. From proportional budgets that give recommendations for how much you should spend in a given category to envelope budgets that give you a visual representation of your spending, you will learn to track your cash outflow and how to stop unnecessary purchases.

If you have no idea where to start cutting your spending, the 3-Category budget will help you focus your efforts on a few trouble areas. If you're looking for general rules of thumb, the 50/30/20 budget and large expense rules can help guide you. For more extensive budgeters, the zero-sum budget and envelope budgets will assign every dollar you earn to a category, so you don't overspend in any given area.

Manage your money today with these beginner budgeting methods and refocus your finances!







# THREE-CATEGORY BUDGET

If starting a budget seems like a daunting task, this easy budgeting method can help. The three-category budget identifies trouble areas in your financial habits and focuses on limiting spending in those categories. Many don't realize just how much they spend monthly at restaurants or on clothing; this beginner-friendly budget shows you these worrisome categories so you don't have to fret about overhauling your entire financial system. The beauty of this budget is that once you've limited your spending in your first set of categories, you can easily target additional categories until your monthly expenditures are where you'd like them to be.



**Big Idea:** Most people overspend in a few categories that can easily be cut down with conscious effort.

## How to Start a Three-Category Budget

Implementing the three-category budget could not be simpler. The first task is to track your spending for at least one month (but preferably 2-3) so you can start to see your spending patterns. If you have receipts or bank statements, you can even look back on past months' expenses.

Once you have a typical month's expenses, categorize them into like groupings. The important part of this step is to create reasonable categories that accurately represent your spending habits. You can be as general or specific as you need to be to demonstrate your disbursements.

When you have your categories outlined, see how much you are spending in each category; the results may surprise you! Pick three trouble areas and set reasonable goals on how much your ideal expenses would be. Think about your goals every time you plan to make a purchase in that category. Focus your budgeting efforts on curbing your spending in those categories for a few months or until you meet your goals.

You can adjust this category to meet your budgeting needs. You might find that you only have one trouble area that needs attention or ten smaller areas that are all worrisome. Focus on as many or as few as you can handle at any given time, but remember that this budgeting solution is designed to be a low-stress way to cut expenses.

**Potential Spending Categories:** If you don't know how to organize your spending, here are a few suggested categories with which many beginner budgeters have trouble.

- Restaurants
- Groceries
- Entertainment
- Clothing
- Beauty Products
- Fitness
- Transportation
- Decor/Furniture
- Cable
- Subscription Services (Netflix, Amazon Prime, etc.)





# 50/30/20 BUDGET

When starting a budget, you may feel overwhelmed by where you should focus your efforts. One of the easiest budgeting solutions is the 50/30/20 budget, which breaks your monthly income into three categories: essential expenses, non-essential expenses, and savings. By breaking up your earnings into these categories, you won't have to wonder how much you can spend on entertainment and you'll ensure that you put a good portion back for savings or debt repayment.

There's also a simpler variation called the 80/20 budget which just separates saving from spending and focuses on saving money each month rather than where the 80% is allocated.



**Big Idea:** You should be saving a good portion of your monthly income for emergencies and large expenses.

## How to Start a 50/30/20 Budget

The 50/30/20 budget separates your monthly earnings into three simple categories. It is very simple to implement this budget rule of thumb into your monthly finances.

50% should be spent on essential living expenses like rent/mortgage, groceries, transportation, and utilities. These expenses should include everything that is a monthly necessity. Overlooked essentials include minimum monthly payments for debt and insurance premiums.

No more than 30% should be spent on non-essential expenses. These costs include anything that goes beyond necessities for living and can consist of entertainment, going out to eat, gym memberships, and subscription services. While you have money to spend here, it is important to stay under the 30% threshold.

A minimum of 20% should be saved each month. You can save money for large expenses or emergency funds or use this money to pay off existing debt in a more timely manner. This 20% also includes the money that you put into your retirement account each paycheck.

**When the 50/30/20 Budget Doesn't Work:** This isn't a one-size-fits-all budget. While this budgeting method is a good general rule of thumb, the percentages may not work for every income level or cost of living. If you live in a low-cost area, 50% on living expenses can seem like overkill. Conversely, if you live in a large city, it may be impossible to only spend 50% of your income on your living costs. The important aspect of this budget is to save a good portion of your monthly earnings.





# ENVELOPE BUDGET

With modern payment methods, it can be hard to visualize how much money you are spending. Envelope budgeting uses cash and categories to show you your monthly monetary outflow. This beginner budgeting method makes you realize the amount of your spending when you have a finite resource like cash instead of an unclear currency like a debit card.

By categorizing your spending and limiting the amount of cash assigned to each section, you will limit impulse purchases and unchecked spending habits. You won't have to worry about overspending because if you don't have the requisite cash on hand, you can't make the purchase. This budget is perfect for those who have trouble limiting their spending and can adhere to the hard rules set for them.



**Big Idea:** This budget method is all about the cash. Divvy your money into envelopes based on spending categories. Only use the cash in an envelope for its express purpose.

## How to Start an Envelope Budget

For any budget, you should always have a foundational understanding of your current financial state. Track your spending for a minimum of one month and break your expenses into spending categories. Categories can be as broad or as narrow as you see fit. For example, you could have an “Entertainment” section that covers a broad range of activities, but if going to the movie theater is an important activity to you, you could have a specific “Movie” category.

Figure out how much you currently spend in each category and then think about your ideal monthly expenses. Set a reasonable goal for each category that gets you closer to your ideal expense. Your goal amount will become your monthly budget, so make sure it is attainable.

At the beginning of every month, put an amount of cash equal to your goal into a separate, labeled envelope for each spending category. You now have your monthly allowance to spend at your discretion in (and only in) the specified expense.

The important thing to remember is to not cheat at your budget. If you run out of money, do not “borrow” from another category. Unless it’s a necessity, do not spend more than your monthly allowance. At the end of the month, see how much cash you have remaining (or how quickly an envelope was depleted) in each category and adjust your budget accordingly. You can move extra cash into your savings account or keep it in the envelope for next month’s expenses.

## Category Suggestions

- Groceries
- Dining Out
- Transportation
- Beauty
- Clothing
- Home Needs
- Entertainment
- Miscellaneous Expenses

**Why Envelope Budgeting Works:** It's much easier to track cash spending than other payment types. If you have a physical notion of your money, it is easier to avoid spontaneous purchases. It also shows categorical spending so you can limit trouble trips to the mall or restaurants.

Cashless Alternative: You can also practice this budget without physical spending, but you have to be more intentional about how you spend and track your money. Write down every purchase like you used cash, and don't go over budget with a superfluous expense. This will ensure purchases from Amazon and subscriptions like Netflix are incorporated into your budget.

## Envelope Template

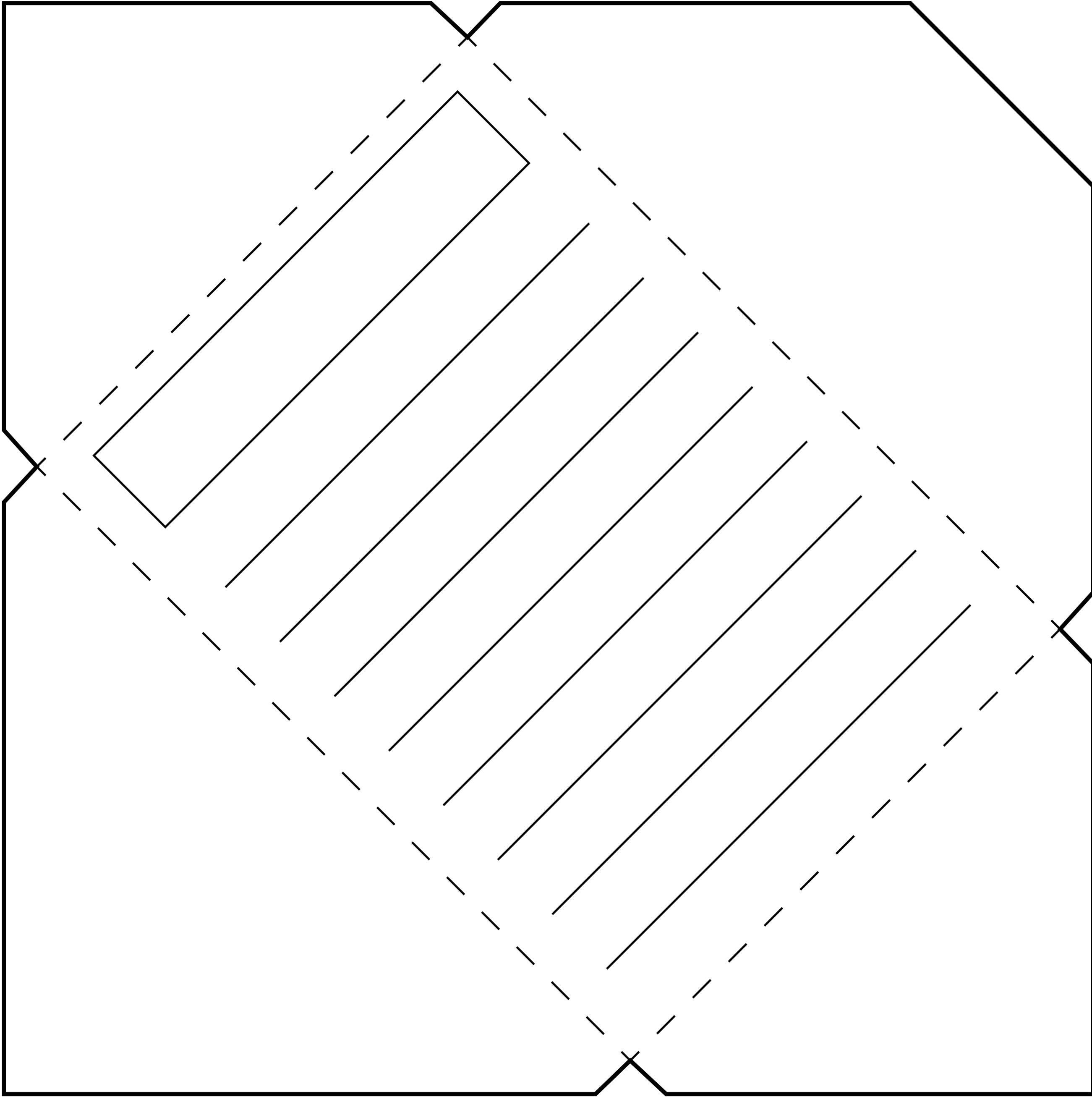
While any envelope will work, we've created a printable envelope template that is perfect for budgeting and will conveniently fit in your purse! You can print this template on colored paper to coordinate your categories, so you won't have to flip through your envelopes while you are standing in line at the store. There are also lines on the front that you can use to write down your expenses, so you will remember where your money went at the end of the month.

Download and Print Infographic

# CASH ENVELOPE

TEMPLATE

bottom flap



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# ZERO-SUM BUDGET

If you like to have a very organized budgeting system, the zero-sum budget is for you. This budget assigns every dollar you earn to a task. At the beginning of the month, every single dollar has a job, so you won't be tempted to buy anything outside of your budget.

This budget will help you establish goals and stick with them each month. You will be able to cut expenses across the board and add more money to your savings and to pay off debt. The zero-sum budget combines aspects of many other budgets by assigning categories to your spending and focusing on adding money to your savings and retirement accounts.



**Big Idea:** The focus of this budget is to assign every dollar you earn to a specific task. That way, no dollar is left unaccounted, allowing it to be spent superfluously.

## How to Start a Zero-Sum Budget

Track your monthly spending for at least one month, but preferably more to get a better picture of your habits. Assign every expense to a category, trying to be as specific as possible. The narrower the categories, the easier it will be to assign your dollars where they will truly be spent.

Calculate your post-tax monthly income. Use this figure as the basis for your budget.

Determine how much money you can reasonably save, invest, and use to pay off debt each month. Start your budget with these figures.

Assign the rest of your dollars to spending categories. Start with essential expenses like rent, insurance, and groceries, then add secondary expenses like clothing and entertainment.

When you finish your budget, the amount of money you have “spent” should equal your monthly post-tax income. If it doesn’t, divide the rest of your dollars among your categories or put all of the remaining in savings.

The important part of this budget is sticking with the plan. Outlining your spending is essential, but you must also adhere to the dollar-for-dollar guidelines you’ve set for yourself.

**Why the Zero-Sum Budget Works:** Similar to the envelope budgeting system, this method keeps track of every dollar you spend. It differs in that at the end of the month you should have zero dollars remaining. Every dollar should be spent or saved according to how it was allocated. If you have leftover money, it should be put into savings, and your budget should be adjusted accordingly for that category the following month.





# BUDGETING RULES OF THUMB

There are many critical questions about your financial future that you've probably asked yourself. Many people don't know the fiscally responsible method of buying a car, let alone how much they should save for retirement. These budgeting rules of thumb give you general guidelines to follow for large purchases and savings. Don't feel lost at the prospect of your future finances; learn how you can be economically secure with these budget rules for large expenses.

We've outlined guidelines that will give you a starting point for assessing your own budget. These rules of thumb are flexible, so adjust them to fit your current finances and needs. If you're puzzled by anything from college savings to home ownership, read on to find out an estimate of when you will be fiscally secure.





CAR

20/4/10

Spend no more than 10% of your gross annual income on transportation.  
Finance the vehicle for no more than 4 years.  
Make a minimum down payment of 20%.

## The 20/4/10 Rule for Car Buying

When buying a new-to-you vehicle, the price may be a bit overwhelming. The sticker price is never what you end up paying when fees are added, and a car that you thought was in your budget quickly can be way too pricey. This rule of thumb gives you a way to determine if a car is in your budget, so you can make your car payments every month.

You should always make a minimum down payment of 20% in cash. The higher payment you can make, the less interest you will accrue over time.

You should never finance a vehicle for more than four years. Cars, especially used cars, may not last you many years without significant upkeep. The last thing you want is to be making payments on a car that you can no longer drive.

You should only be spending 10% of your annual income on transportation. This includes everything from car payments to insurance and gas. If your car payment alone is over 10% of your income, there's a problem.







# 20% DOWN RULE

**HOME**

The total cost of your house should be about 4X your annual salary. Make a minimum down payments of 20%.

## The 20% Rule for Home Buying

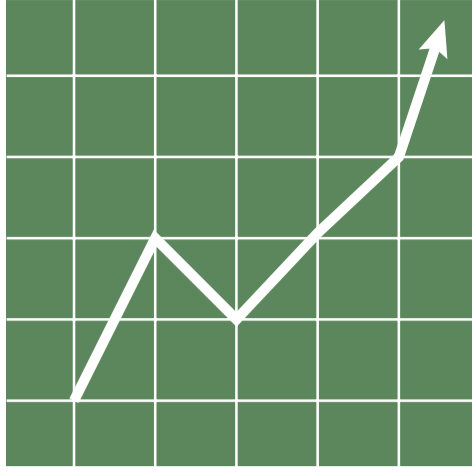
Like car buying, home ownership is a white whale of its own. You have to balance facets like location and size with the all-important price tag. With such a variance in price, it can be hard knowing where to start. This guideline is here to help!

Similar to purchasing a car, your down payment on a home should be 20%. This will drastically decrease your overall mortgage and ensure you move into a home that will fit your price range long-term.

You should also look for homes that cost around four times your annual salary. The standard mortgage loan is for 30 years, so this number gives you flexibility while still being reasonable.







# 10% RULE

## RETIREMENT

Save a total of 10-20X your gross annual income for retirement in your 401k. Put 10% of each check into a 401k or IRA.

### The 10% Rule for Retirement

This rule is easy, and you might already adhere to it. The best way to save money for retirement is to allocate 10% of each paycheck to your 401k or retirement savings account. This will ensure that your account is steadily growing over time.

### The 10X Rule for Retirement

When you near retirement age, you may wonder if you have enough saved to retire. While every retiree has a different lifestyle, you should strive to have a minimum of 10 times your annual income saved. If you plan to travel frequently or adopt a lush lifestyle, you may want to save closer to 20 times your annual income to accommodate.







**COLLEGE**

## 2K RULE

Multiply your child's age by 2,000. The amount is how much you should have in a college savings account to cover around 50% of four years of tuition at a public university.

### The 2K Rule for College Savings

Do you wonder if you have enough money stored away for your child's savings? This rule will help show you approximately how much you should have saved based on your child's age.

Multiply your child's current age by 2,000. The resulting number is around how much you should have in a college savings account to cover approximately 50% of tuition at a four-year public university. This will give your child a helping hand so they don't have to foot the entire bill themselves.





# FREE BUDGETING WORKSHEET

Download and Print Infographic

*Monthly Budget:* \_\_\_\_\_

Items	Budget Amount	Actual Amount	Difference	Notes
-------	---------------	---------------	------------	-------

### INCOME

Income Total				
Other Income				

### EXPENSES

Mortgage/Rent				
Household Maintenance				
Taxes				
Insurance				
Electricity				
Water				
Sewage				
Gas				
Phone				
Trash				
Cable				
Cell Phone				
Groceries				
Entertainment				
Charity/Donations				
Fuel				
Auto Insurance				
Car Payment				
Child Care				
Debt				
Loans				
Life Insurance				
Health Insurance				
Clothing				
Child Support				
Other				

### SAVINGS

Retirement				
College				
Basic/Other				

TOTALS:

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# PART 2: BUDGETING SOLUTIONS

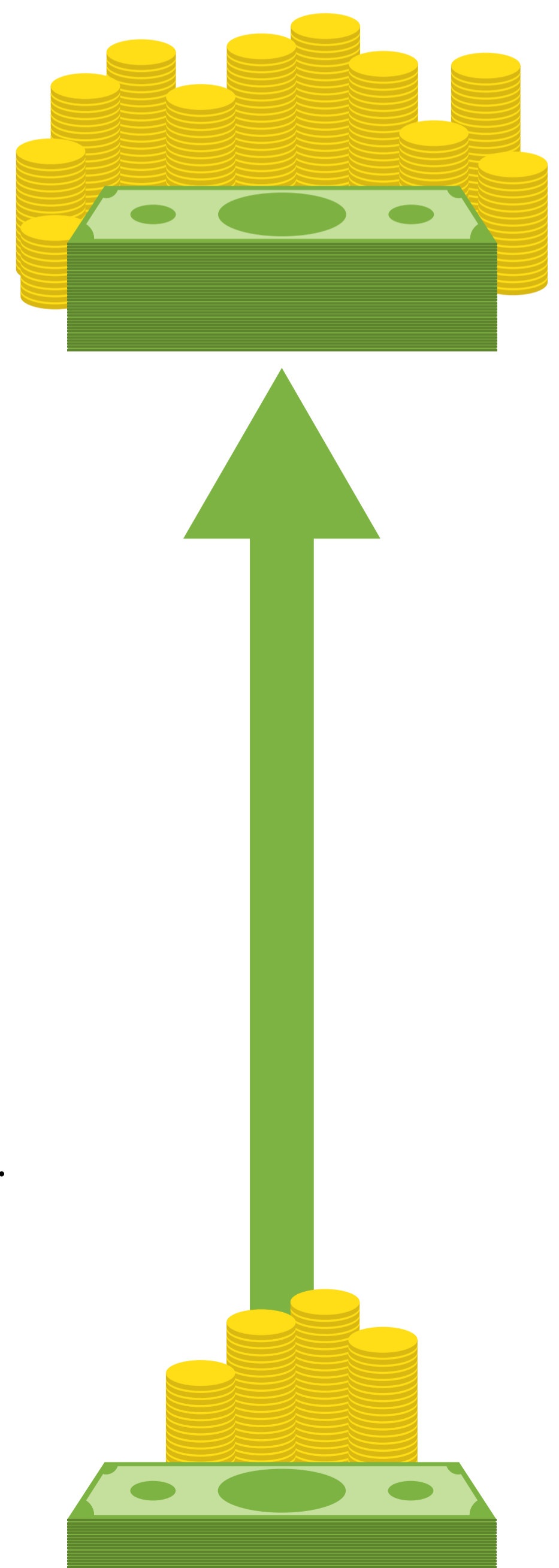
Now that you've learned how to budget your money, you might have found that your income comes well below your monthly expenses or you don't have enough left over to put in savings. Instead of opening another credit account, try these simple budgeting solutions that will help keep more of your existing money in your account and provide new streams of income.

If you aren't making enough money from your main job, we've outlined some second income opportunities and passive income ideas that will add monthly revenue streams with little to no effort. Many can even be completed from the comfort of your pajamas!

If your new budget has shown some troubling expenses, learn how to cut back on your flexible expenses and how to reduce utility bills. These tips will lower your monthly bills to beef up your savings.

We've included some beginner money hacks that anyone new to budgeting should try to save cash. These tricks will quickly become old habits of yours!

Learn how to support your newly adopted budget with these beginner budgeting solutions!







# CREATING MULTIPLE STREAMS OF INCOME

If you have extra time on your hands and are looking for ways to increase your monthly earnings, these additional income ideas can help put some extra cash flow in your bank account! Creating multiple streams of income will ensure that you have a steady stream of income outside of your full-time job. These ideas will maximize how you spend your time and can mainly be accomplished with little to no initial effort.

Whether you are a craft enthusiast looking to sell your hobby commodities or a stay-at-home parent with too much downtime on your hands, you will find an extra-income idea to put more cash in your wallet while giving you a worthwhile use of your time. Feel economically at ease when you try these ideas from the comfort of your own home!





**1. Open an Etsy Shop.** If you are an avid crafter, opening an Etsy shop can help sell your completed projects easily. Etsy will connect you to a large community of craft buyers who can view and purchase your products. You can sell a variety of products on Etsy from homemade jewelry to home decor.



**2. Start a Blog.** If you have an interesting hobby or just love what you currently do, a blog can help you reach others with similar interests. You just need to start writing about your experiences and widely sharing your posts. When you grow an established audience, you can make a supplemental income from online advertising and sponsoring products on your posts with affiliate links.



**3. Freelance.** Do you have writing, editing, or photography skills that you never get to use? Freelance work lets you get paid for these skills from the comfort of your own home! Freelance work isn't as limited as it once was. With online resources like Upwork and Fiverr, you can find jobs for which you are qualified and start working while still in your pajamas!



**4. Rent Your Spare Room.** Do you have a guest room or furnished basement that remains unused most of the time? Rent it out using Airbnb to earn money from your additional space! Room rentals require very little extra cost and you'll get to meet a lot of new people!



**5. Take Surveys.** When you come home from a long day at work, you probably want to be lethargic in front of the television. Why not make a little money while you sit on the sofa? Online survey sites can provide a steady side income if you take them consistently.





**6. Invest in Real Estate.** Financial websites all across the internet will tell you that investing in real estate is one of the easiest ways to create another revenue stream. While you can make money from flipping houses or owning rental properties, these are not without their risks. Fluctuating markets and terrible tenants can quickly turn your planned profits into devastating debts. If you like the idea of risk or have some home improvement experience, you might be able to make real money in real estate.



**7. Complete Tasks for Others.** If you have a spare Saturday, why not earn money by completing tasks that others don't want to accomplish themselves. Chore completion websites like TaskRabbit let you pick posted assignments to complete around your city such as picking up someone's dry cleaning or helping someone move. You'll get paid upwards of \$40 an hour for helping complete these tasks.



**8. Become a Field Agent.** Have you ever wanted to go undercover and engage in top-secret espionage? Well with this income idea you can! Kind of. Field Agent turns you into a shopping spy, taking photos of store displays and giving ratings about aspects of your shopping experience! No one will know that you were deep undercover.



**9. Become a Driver.** Are you free during nights and weekends? These are the most profitable times to drive for companies like Lyft and Uber. You're probably wondering if the wear on your vehicle and the expenses will be worth your time. According to Ridester, an average Uber or Lyft driver will make between \$8 and \$11 per hour AFTER expenses. Of course, this all depends on a myriad of factors including your location, the time of day, and the type of ride.





**10. Become a Tutor.** Tutoring is a great way to earn some extra money, and you might not have to leave the house. Websites like TutorMe and Chegg let you create your own schedule and work from your laptop! These sites will pay upwards of \$20 an hour for tutoring work.



**11. Start a Podcast.** Like blogging, podcasting will connect you to others who share similar interests. Podcasts are very popular and can cover a variety of topics and interests. When you gain a following, you can start earning ad revenue that will increase with every click or download.



**12. Donate Plasma on Multiple Streams of Income.**

Plasma donation saves lives and puts money in your pocket. What more could you ask for? According to *WalletHacks*, you'll get paid (on average) between \$20 and \$50 per donation. Various donation centers will pay different rates and allow you to donate at assorted frequencies.



**13. Sell Your Stuff.** If you don't have time to commit to creating multiple streams of income, you can still get some extra cash. Selling clothes and electronics online will clear your clutter while bringing in extra cash. You can also host a garage sale to quickly make a profit with little effort.





# PASSIVE INCOME IDEAS

You don't have to work overtime every week to get ahead on your finances. Why should making money be difficult or time-consuming? These passive income ideas put money in your pocket without making you lift a finger.

What is passive income? Passive income is money that you don't have to put effort into earning. These strategies make money while you are busy doing other things.

You'll also find residual income ideas. Residual income is money that comes from a project you've already completed and from which you can continually make money.

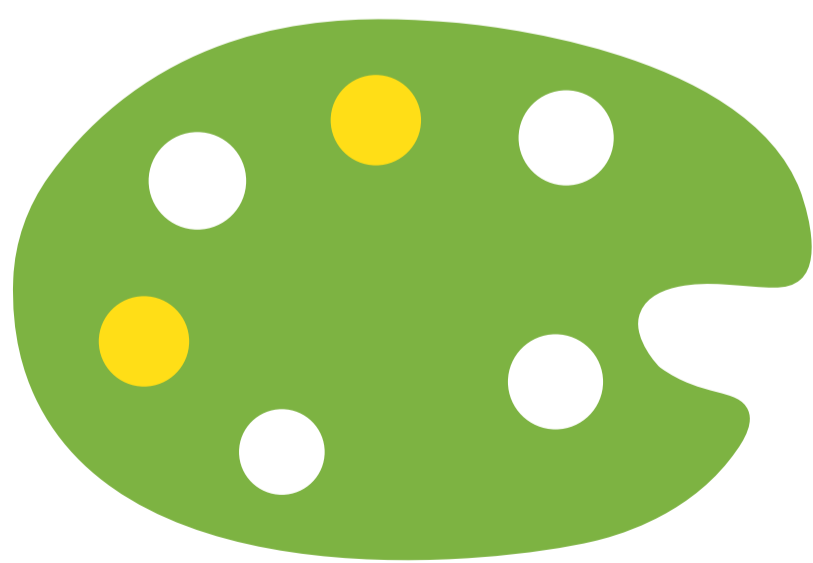


Don't pick up an additional shift just yet! Find our favorite passive income strategies to make the most of your money!

**1. Royalties.** If you are a photographer, writer, artist, or musician, you may be able to earn royalties for the work you've already completed. Intellectual property like images or songs can be sold to companies that will, in turn, give you a percentage of every purchase of your property. For example, stock image websites will give you an average of 15% of the download price for your image, so you can earn a small, but steady income if you have popular images. If you already have intellectual property like songs and eBooks completed, you can sell them on platforms such as iTunes to start earning money on every download. If you don't have photos, songs, or writing ready, you can turn this passive income idea into a residual income opportunity by putting forth the hard work now and then sit back and reap the benefits.

**2. Cashback Websites.** If you shop online without using a cashback app, you are missing out on potential savings. No matter what they advertise, you won't make millions of dollars by using cashback sites, but you'll earn back a steady stream of cash every time you make an online purchase.

**3. Recycling.** You don't have to live in Michigan to earn money from recycling cans and bottles. Check to see if your state has a bottle return program that will give you money per bottle or can you turn in at a recycling center. If they don't, there are probably recycling centers near you that will pay for your aluminum cans at a per-pound rate. You won't earn a lot of money, but you can earn a small, steady additional income.





**4. Investing.** Investing is one of the easiest passive income ideas because it creates a revenue stream from your existing cash. While there are inherent risks to investments, you can be more conservative in your investments to earn a smaller amount of money on less risky stocks and bonds. If you don't understand investing or don't have the time to do the proper research for the volatile stock market, a robo-advisor app may be perfect for you. Sites like Betterment and Wealthsimple invest your money for you in diversified accounts based on your preferred risk. Neither site requires a minimum deposit and each only charges a 0.25% fee on your investment returns.

**5. Real Estate.** Real estate ventures can either be active or passive investments depending on the work you put in. If you don't want the work of being a landlord, investing in a Real Estate Investment Trust (REIT) can put money in your account without any labor. REIT sites like Fundrise crowdsource to purchase or develop real estate (think of them as Kickstarter for apartment buildings). After your initial investment, you'll earn a share of the profits paid in monthly or quarterly dividends as your return on investment.







# CUT BACK ON EXPENSES

When you start tracking your expenses, you may be surprised to find how much you are overspending in categories which can easily be decreased. Flexible expenses are any non-essential cost that can be changed, reduced, or eliminated to help balance your budget. You can even reduce variable costs that are essential by switching to more budget-friendly products or service plans, maintaining the product or service at a fraction of your original price.

Flexible expense examples include groceries, dining out, entertainment, and even utilities. Learn how you can master your personal finances by cutting back on these expenses and putting more money where it matters.



**The Three Types of Expenses:** In personal finance, there are three major types of expenses: fixed, flexible, and periodic. While the names generally describe each expense, you may be surprised to find which categories house certain costs.

Fixed Expenses	Flexible Expenses	Periodic Expenses
<p>Fixed expenses are costs that have a set price per month. These expenses include things like rent and car payments. The cost per month will be the same as long as you maintain your current agreements.</p>	<p>Flexible expenses are any monthly expenditure that can easily be changed, reduced, or eliminated from your budget. These expenses include things like your cable subscription and grocery bill.</p>	<p>Periodic expenses are incurred costs that happen less frequently than monthly. Periodic expenses are normally bills that are charged quarterly or yearly such as insurance premiums and taxes. These costs also include irregular expenses like automobile maintenance and home repairs.</p>

## Flexible Expense Examples

Now that you know the basics of flexible expenses, you are probably wondering, “So what exactly are they?” Flexible expenses range from non-essential costs that you can reduce or eliminate just by stopping your spending to essential expenditures that require some work to reduce. Here are some essential and non-essential examples to illustrate what exactly these expenses look like.

**Non-Essential Expenses:** These expenses are pretty easy to identify. There are two questions you need to ask yourself.

Does this expense have the same cost every month?

Is this expense absolutely necessary to maintain your current job, home, or car?



If you answered “no” to both of these questions, you likely have a non-essential expense on your hands. Here are some common non-essential variable expenses:

- Cable Television
- Subscription Services (Netflix, Hulu, Amazon Prime, etc.)
- Clothing
- Dining Out
- Entertainment (Movies, music, books, etc.)

**Essential Expenses:** If you only answered “yes” to the second question above, this is an essential flexible expense. These are any costs that are essential to maintaining your current lifestyle but can be reduced to better fit your budget. Here are some examples of variable essential costs:

- Groceries
- Cell Phone Plans
- Internet Services
- Transportation Costs (gas, level of insurance coverage, etc.)
- Utilities

The above expenses must be spent monthly to preserve your current position but can be reduced (possibly with some effort) to help manage your finances and stick to your budget.

**How to Cut Back on Flexible Expenses:** Now that you know what flexible expenses are, how do you reduce them? As stated, flexible expenses can be changed, reduced, or eliminated to balance your budget. Below, you’ll find a few examples on how you can cut back on these variable expenses.



**Cable Television:** If you have a monthly cable bill that is too high, you have a few options.

- 1. Change.** You can switch cable providers if you find a better deal than what you currently pay. You can also change from cable to services like SlingTV or YouTubeTV that let you add live channels as a la carte options, so you only pay for what you watch.
- 2. Reduce.** If you like having cable television, you can always downgrade to a cheaper plan with your company to save money.
- 3. Eliminate.** If you rarely watch live television or watch most of your content on another platform (like Netflix), it will save the most money by cutting the cord.

**Groceries:** Your monthly grocery bill can't be eliminated, but there are ways to save money regularly.

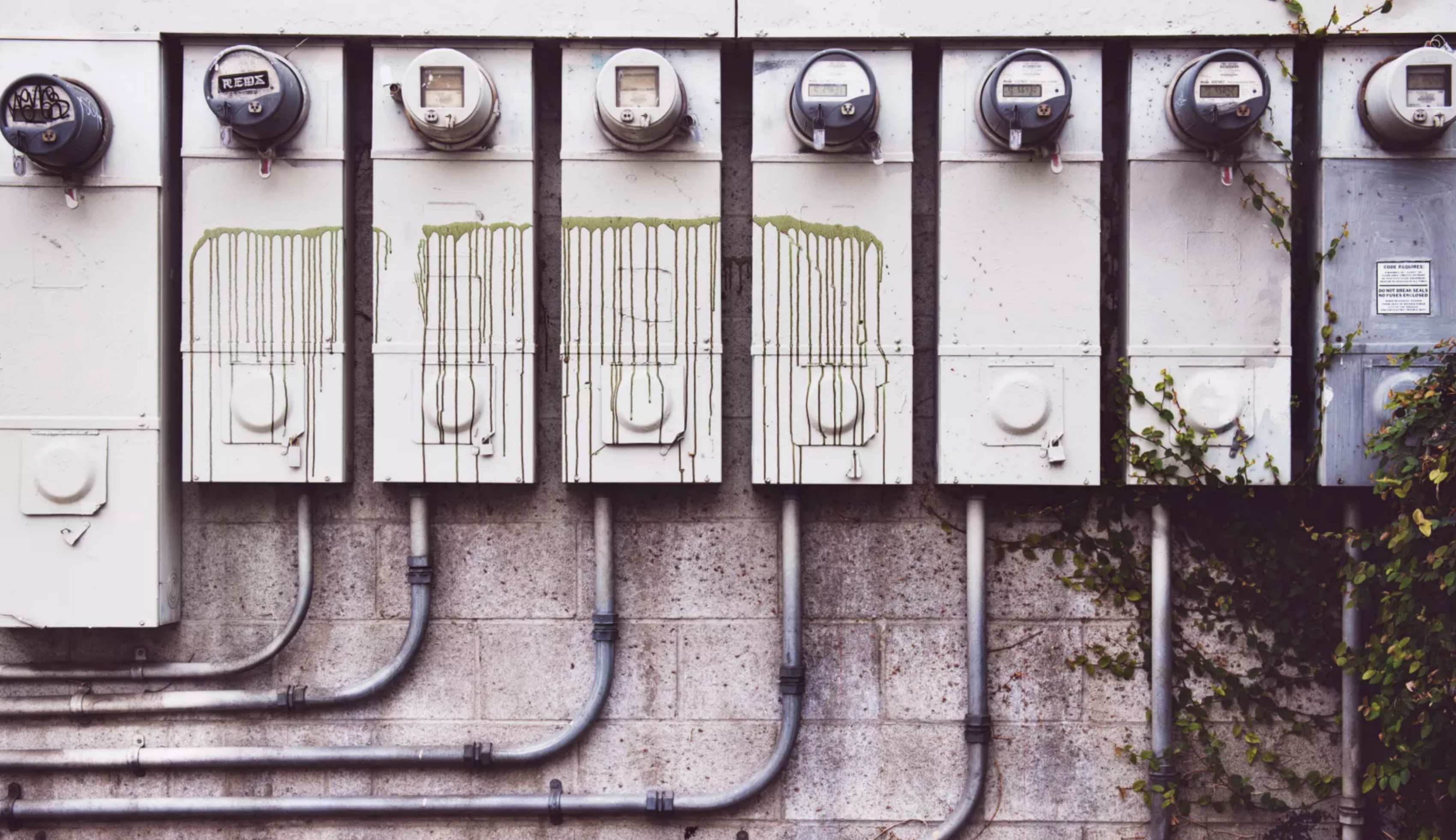
- 4. Change.** You can switch the store at which you shop for a cheaper alternative. You can also switch to a cheaper brand of product; generics are cheaper and taste just as good,
- 5. Reduce.** Do you really go through all of the food you buy each month? An easy way to cut your expenses and food waste is to only buy food you know will be eaten. BONUS: to save on transportation costs, reduce the number of trips you take to the store shopping just a few times a month.
- 6. Eliminate.** You can't eliminate groceries completely, but you can stop buying certain products. Processed foods and junk foods have higher costs and lower health factors than fresh ingredients.



**Dining Out:** Eating at restaurants is a troubling category for many budgets. There are simple solutions to reducing this expense.

- 7. Change.** The easiest way to change your cost is by eating at less expensive restaurants. Switch from sit-down eateries to fast-casual establishments and pay a fraction of the bill.
- 8. Reduce.** Go out to eat less frequently to reduce your cost. You can also choose cheaper entrees when you do dine out. Pass on the steak for a budget-friendly salad.
- 9. Eliminate.** You can stop dining out entirely. Eat more meals at home and watch the savings add up.





# HOW TO SAVE ON GAS

Brrr! You might be feeling the winter blues when your first seasonal heating bill arrives. This guide on how to save money on your heating bill will eliminate the wintertime worry over high utility bills while ensuring you don't freeze in your home. These winter energy saving tips will keep your house warm without going over your prepared personal budget. You'll stay cozy all season long and save a high percentage on your home's heating costs.

Many of these tips are steps you can take around your home at no cost. Lowering your thermostat and clearing your furnace registers are just the beginning of this detailed guide. These ideas are simple and budget-friendly, so you can follow all or most of them to maximize savings. Whether this is the first winter in your home or you're a seasoned veteran, you can take additional home repair steps to save on home heating. Cut your winter heating bill in half and stay toasty in your home!



- 1. Lower Your Thermostat.** You can save up to 10% a year on your gas costs by lowering your thermostat 7°F for at least 8 hours a day.
- 2. Bundle Up.** When lowering your thermostat, stay cozy with extra clothing and blankets. Wearing socks and hats help retain body heat.
- 3. Upgrade Your Thermostat.** A programmable thermostat will cost a little more, but you can schedule lower temperatures while you sleep or are away from home.
- 4. Buy a Portable Heater.** If you only need to heat one room in your home, a space heater is a good solution. If you want to heat your entire home, having multiple heaters will increase your bill much more than turning your thermostat up a few degrees.
- 5. Replace Worn Weatherstripping.** 7-12% of your heating loss comes from doors and windows. A simple way to prevent this loss is by replacing old weatherstripping around these areas.
- 6. Adjust Thresholds.** If your door is not touching the threshold, you are losing a lot of heat that escapes under the front door. Many thresholds have adjustable screws so you can easily make your door meet the threshold.
- 7. Cover Windows with Film.** Covering your windows and patio doors with plastic film can reduce your heating costs by 14%. The film is easy to attach and can be removed quickly in the spring when you no longer need to retain heat.
- 8. Lock Windows and Doors.** Locking your doors and windows will provide a tighter air seal to prevent drafts.
- 9. Plug Holes in Exterior Wall.** Pipes, gas lines, and electrical cables that enter your home from the outdoors are probably also allowing cold air to flow into cracks around them. Use expanding foam around all of these holes to ensure cold air doesn't enter your home.
- 10. Insulate Attic Access.** While your attic is probably insulated, the entry door may not be. Add some insulation to the access so you keep your heat trapped where it belongs.



- 11. Seal Leaks in Ductwork.** Check accessible ductwork in your attic and basement to see if the ductwork has split apart. You can lose 20-30% of the air that passes through the system with leaks that go unresolved. Add some mastic sealant or metal tape to close these leaks and retain your airflow.
- 12. Invest in Insulation.** If your home isn't properly insulated, you'll lose hundreds of dollars each year by letting heat escape in the winter and enter in the summer. You can find inexpensive insulation that can line areas of your home that lose a lot of heat like attics and basements.
- 13. Change Air Filters.** Changing your air filter monthly will increase the airflow in your system and extend the life of your furnace.
- 14. Block the Chimney.** A lot of heat can escape your closed chimney flue when not in use. An inflatable chimney balloon will cost about \$50 but saves you, on average, \$100 a winter. The balloon even self-deflates when you start a fire, so you never have to worry about removing and re-installing.
- 15. Use the Sun.** Keep blinds open during daylight to let natural lighting in and heat your home naturally. Put up blackout curtains at night to keep the heat inside your house.
- 16. Keep Registers Clear.** Blocking airflow from your registers will limit the heat that enters a room.
- 17. Use Ceiling Fan.** Did you know that ceiling fans can both warm and cool your home? By reversing the direction of your fan, you will actually push warm air down and keep it circulating back to you.
- 18. Get a Humidifier.** The moisture in the air will trap heat better making the warmth last longer.
- 19. Don't Use Ventilation Fans.** Ventilation fans in your shower and kitchen are great in the summer for removing excess heat and steam, but in the winter, they will remove trapped heat in your home. The added steam from a shower will act as a humidifier and trap warmth in your home while using your oven will make the kitchen extra toasty.





# SAVE ON YOUR ELECTRIC BILL

When it comes to cutting costs, finding a way to reduce your electric bill may seem like a difficult task. With this guide on [How to Save on Your Electric Bill: 7 Tips to Try](#), you can discover new ways to lower your monthly bill without giving up your comfort. You will also use less energy in the long run, making your home run efficiently. Whether you're looking for a quick and easy solution that will take just a few minutes to implement or you want to make modifications to your home, these tips on ways to reduce electricity usage will help you and your household. From adding insulation to finding air leaks, there are plenty of ways that you can help your home use less energy. When it comes to green living, you can't go wrong with these ideas.

Finding ways to cut your energy use can go hand-in-hand with saving money on your electric bill. By reducing the amount of energy consumed in your home, you will concurrently reduce your bill. It's a win-win for the environment and for your pocketbook!



**1. Insulate Your Home.** While adding insulation to your attic is almost always a good idea, there are plenty of other places in your home that could benefit from the insulation as well. Exterior walls, basements, and even crawl spaces are among the parts of the home that could use a little bit of an insulated upgrade.

**2. Schedule Regular Maintenance for Your HVAC Unit.** When was the last time your furnace or air conditioner unit received regular maintenance? If it's been a few years, then scheduling a maintenance check of the unit is a quick and easy way to see if it is operating efficiently and to advise of any additional maintenance work that may be required.

**3. Use Appliances Efficiently.**

**i. Refrigerators:** Keep your refrigerator set between 35 and 40 degrees Fahrenheit, and position the appliance so that it is out of direct sunlight. You should also take this time to check if your refrigerator doors are sealed properly and are not leaking cool air.

**ii. Washing machines:** Don't use the washing machine to launder just a few T-shirts or a pair of jeans! Your washing machine will run most efficiently if it is full. Don't forget to wash in cold water to further reduce energy costs.

**iii. Dryers:** Clean the lint trap after every use to improve air circulation – and possibly reduce the risk of fire in your dryer. In warm weather, you can forgo the use of the dryer by drying your clothes outside.

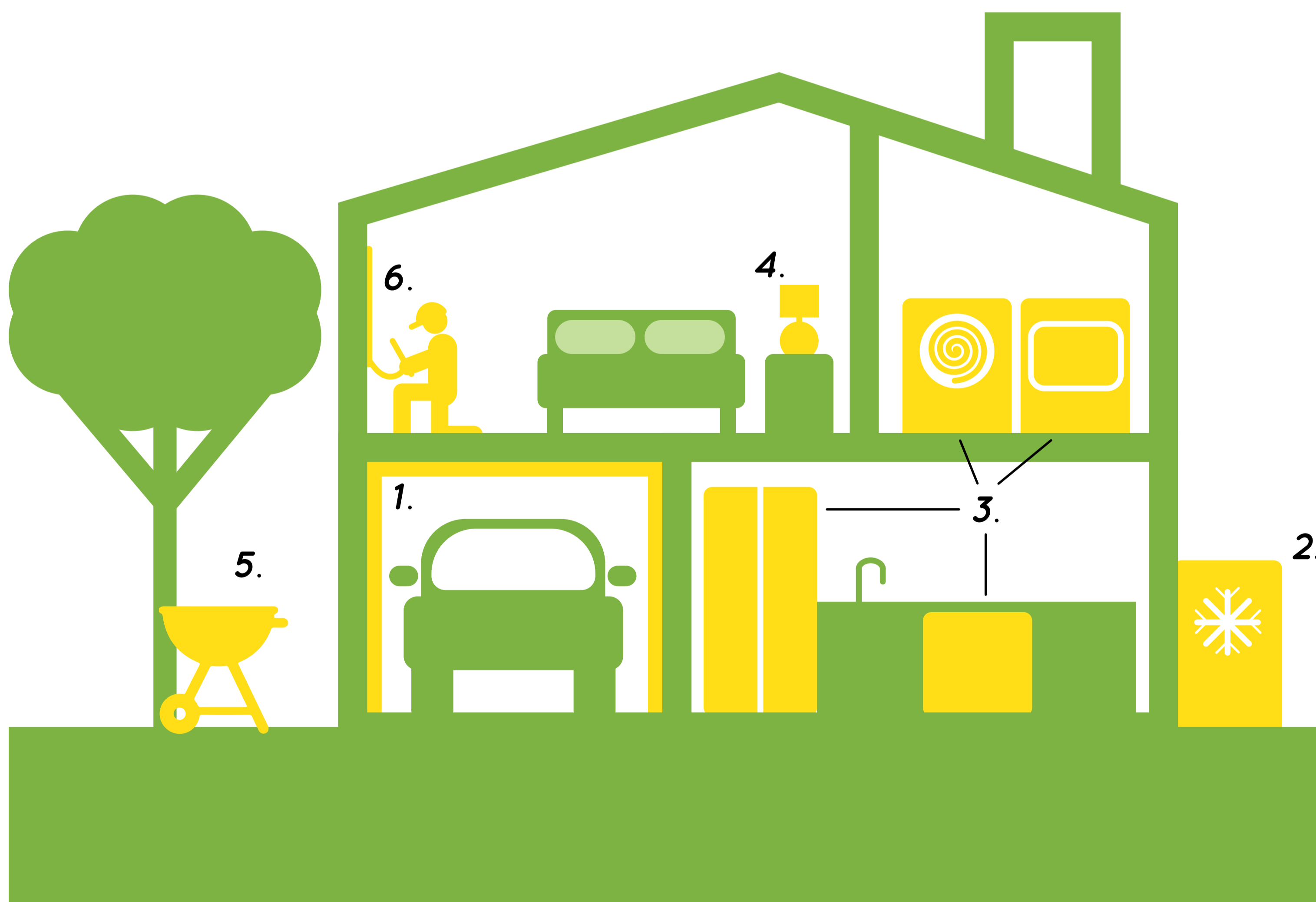
**iv. Dishwashers:** Similar to washing machines, you should only operate the dishwasher if you have a full load of dirty dishes.



**4. Turn off Items When You Leave the Room.** You already know to turn off the lights whenever you leave a room. But what about smaller electronics, including computers, laptops, and your DVR? Turning off the items mentioned above can go a long way to saving money on your energy costs.

**5. Fire up the Grill.** When the temperature starts to rise, it's time to fire up the grill and cook outside! Cooking an assortment of food on the grill in your backyard or on your patio will keep your home a bit cooler, further reducing your energy costs to keep your home at a comfortable level.

**6. Conduct a Home Energy Assessment.** Do you still feel that your best efforts at cutting your energy bill are thwarted and you continue to pay a high energy bill? It may be that your home has air leaks that should be remedied.







# SAVE ON YOUR WATER BILL

Lower your water bill with this handy guide on cutting utilities costs! There are a variety of ways to save on your water bill at home. Whether you are looking for ways to conserve water and live environmentally conscious or are trying to lower your monthly utilities to meet your budget, this guide is for you.

These solutions are all cost-efficient ways to help you live green. From limiting the amount of water you use in the bathroom to the types of appliances you use everyday, these tips to lower your water bill provide quick and easy solutions that will save gallons of water and hundreds of dollars each year.

Learn more about your water consumption and how to save on your water bill today!



- 1. Take Shorter Showers.** The easiest way to conserve water and reduce your bill is by taking shorter showers. The average shower uses 2.5 gallons of water each minute according to [homewaterworks.org](http://homewaterworks.org). If you cut a few minutes off each day, you will save hundreds of gallons each month, which will keep more money in your pockets.
- 2. Turn off the Faucet.** This water-saving tip is the most well-known but bears repeating. The average person wastes four gallons of water every time they let the faucet run while brushing their teeth or shaving. The easiest way to conserve water is to turn the faucet off while completing these activities.
- 3. Do Full Loads of Laundry and Dishes.** Washing machines and dishwashers use a lot of water per load. Plan your loads ahead of time so that you aren't running half-full cycles all the time. The average dishwashing cycle uses 6 gallons of water. A washing machine will use 15-30 gallons depending on what setting you use.
- 4. Don't Hand-Wash Dishes.** While the dishwasher uses a good amount of water, hand-washing dishes can double or triple the amount depending on your method. To hand-wash dishes you have to use water to fill a sink basin and then rinse individual dishes, this rinse process can waste up to 2 gallons every minute you wash dishes.
- 5. Fix Leaks around the House.** Did you know that leaky faucets waste over 2,000 gallons of water each year? A dripping faucet will drip about 5 gallons a day, and this is the least wasteful culprit.
- 6. Invest in Energy Star Appliances.** Energy Star appliances provide different savings in your home. Appliances like dishwashers and washing machines will reduce the amount of water per use, but these products will also lower your electric bill by using less energy.
- 7. Collect and Use Rainwater.** Collecting rainwater to reuse for watering your lawn or garden is an easy way to conserve water. You use a lot of water to keep plants green and healthy, so why not save what Mother Nature provides for a cheaper alternative.





# COUPONING FOR BEGINNERS

Saving money has never been easier! When you want to save some money when shopping for groceries, using coupons is an effective way to cut costs.

From finding the right places to get coupons to organizational hacks, these tips on the basics of couponing are simply too good to miss! Even if you're a seasoned couponer, this guide to how to start couponing might be a nice refresher.

Saving money through the use of coupons can be a fun and rewarding experience. By saving money at the checkout counter, you can get closer to reaching your personal finance goals. Learning how to start couponing doesn't have to be a difficult or time-consuming endeavor when you keep these ideas at your fingertips.



**Assess Your Household's Needs:** Will your family really use a certain brand of pasta sauce or type of cereal? Although using coupons will help you save money, your savings efforts will be for naught if the coupons are for items your household will not eat. We recommend starting with coupons for items that you already purchase, so you won't have waste.

**Learn the Parts of a Coupon:** Do you know where to find a coupon's expiration date, or how to tell if the coupon can be doubled? If you want to make the most of your coupons – and save some serious cash in the process – then you'll want to keep this infographic in mind.

**1. Retailer Coupon:** This may be labeled as "Manufacturer Coupon," or with the specific name of the retailer. This lets you know who will honor the coupon.

**2. Expiration Date:** When does this coupon expire, anyway? The expiration date is a crucial bit of information you need to keep in mind when clipping coupons.

**3. Value of the Coupon:** The specific product that is eligible for the coupon, as well as the dollar value of the coupon, is included here. In addition, the quantity or size of the product that you need to purchase in order to receive the discount from the coupon is included.

**4. Fine Print:** The manufacturer or retailer includes any rules or restrictions regarding the coupon, including where the coupon is eligible. For example, a chain restaurant may specify that the discount is available only in locations within a certain metro area.





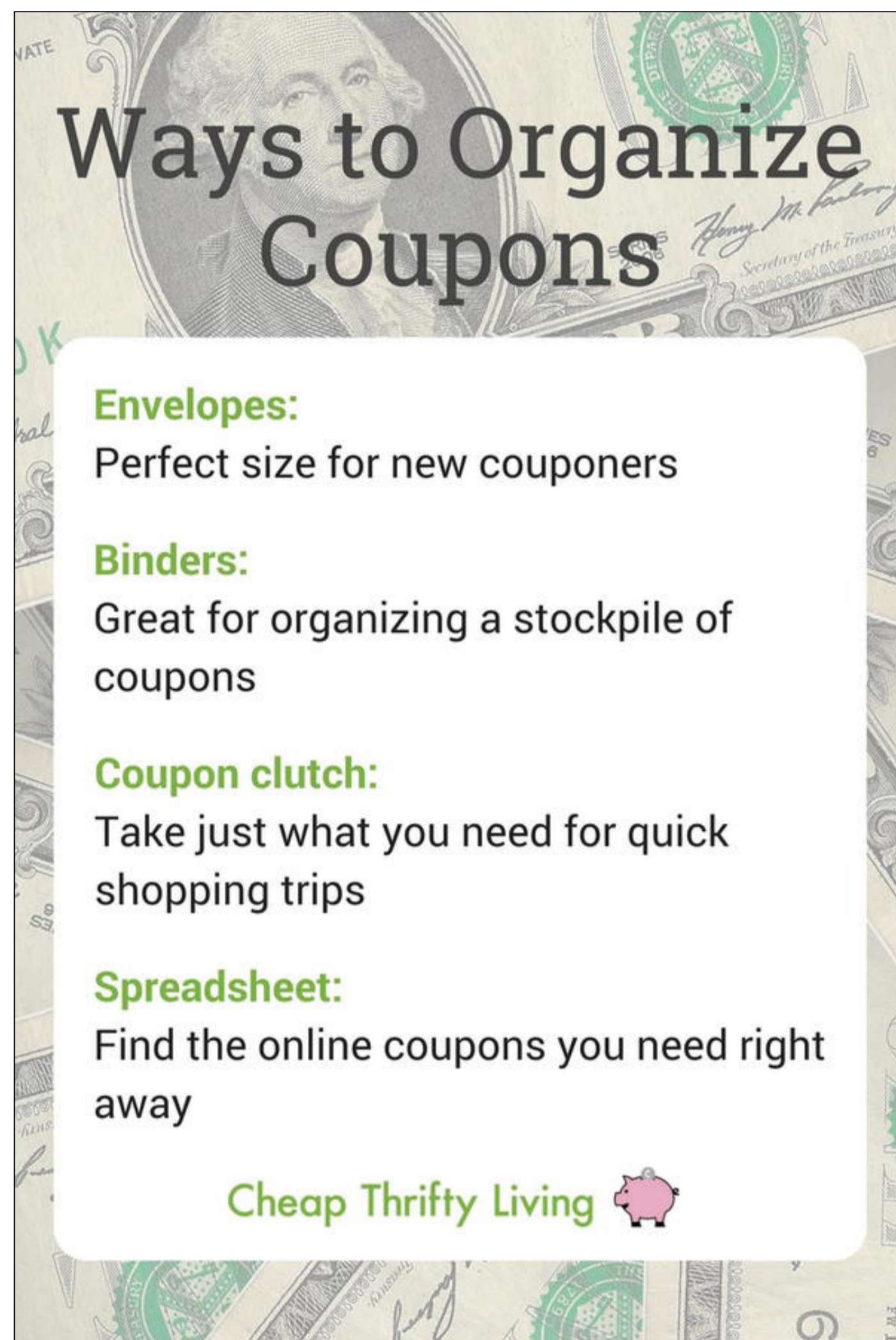
**Learn a Store's Coupon Policies:** Some retailers will accept coupons after the expiration date and may even allow you to double the face value of the coupon on certain days of the week. Some retailers may accept coupons from competitors. It's all a matter of knowing the policy so you know what to expect.

**Learn How to Organize Coupons:** You'll need a system in place so that you can quickly and easily find coupons prior to your next shopping trip. You don't want to miss out on a great deal simply because the relevant coupon was misplaced or lost.

**Find Your Coupons:** If this is your foray into the world of clipping coupons, then you might be curious as to where you can find the coupons. Generally, they can be found inside grocery stores, in magazines or newspapers, on product packaging, in the mail, or on couponing websites.

**Be Careful Not to Overspend:**

When it comes to couponing, it's most important to monitor your expenditures. Purchasing items you don't actually need could lead to spending more. Couponing is most effective when you use them on products you would have purchased anyway. Start out slowly until you get the hang of how much you are spending and saving.







# MONEY SAVING HACKS

If you are looking for small steps that will alter your current spending, you've come to the right place. These money-saving hacks help you reduce spending to make the most of your money. Learn small steps that will consistently save you money on everything from online purchases to large expenses. Once you employ these saving strategies in your daily life, you won't be able to live without them. These life-changing money-saving tips will help you maintain your budget and plan for your financial future.

Try these tips today and see your savings start to stockpile! You can save hundreds of dollars a month with these easy money-saving hacks.



- 1. Carry Cash:** You are less likely to buy impulsively if you pay in cash. Why? You have a visual representation of the money you are spending instead of a piece of plastic that isn't a good representation of the money you spent. This hack is the foundation of the envelope budgeting method.
- 2. Build Your Credit Score:** Having a good credit score will help you get loans with lower interest rates. If you don't have credit, starting a credit-building card that you pay off at the end of every month will net you a higher score. In the long term, you'll save thousands on interest from car and home loans.
- 3. Purchase at the End of the Month:** When making a large purchase like a car or an appliance, shop at the end of the month. Commissioned salespeople are much more likely to cut you a better deal when they need to meet their monthly quotas.
- 4. Clear Your Browser History:** When shopping online, your browser history works against you. If you look at a product multiple times, websites can steadily increase the price slightly to gouge you for more money. Clear your history or shop in a private browser before making an online purchase.
- 5. Brew Your Own Coffee:** If you frequent the coffee shop, you likely spend hundreds of dollars a month on your morning caffeine. You can save a majority of this money by brewing your own beverages at home!
- 6. Meatless Monday:** One of the most expensive grocery elements is meat. Protein is the foundation of many meals but adds a hefty price to your grocery bill. Try cutting meat out of your meal plan at least one day a week for easy savings.
- 7. Buy Generics:** Speaking of your grocery bill, there's not an easier way to cut costs at the store than by buying generic brands of your favorite food products. Most of these items taste the same (or even better!), and you won't be paying for the brand recognition.



- 8. Lower Your Brightness:** Did you know that the standard brightness settings on TVs and computer screens are made to make the picture-quality look better under the harsh, fluorescent store lights? When you're at home, you can lower the brightness and your electricity bill!
- 9. A Tall Drink of Water:** Making water your beverage of choice can save you hundreds a month. You won't have to buy a single bottle or can from the store. If you don't like the way your tap water tastes, invest in an inexpensive filtering pitcher that you can keep in the fridge for your hydration needs. Did you know drinking a glass of water before eating a meal will help with digestion and will give you a more accurate feeling of fullness?
- 10. Use a Clothesline:** This hack will help you save in two ways. You will save on your energy bills by not using your dryer, and you will increase the life of your clothes as they will be dried in a gentler manner.
- 11. Use Cashback Sites:** When online shopping, cashback websites can save you a small amount of money on every purchase. These sites are ideal for shoppers who make many purchases online as a way to earn money on existing habits.
- 12. Carpool:** An easy way to save on transportation costs is by carpooling. If you live near a co-worker or work near a friend, you can share rides to limit the wear on your vehicle and your gas expenses. Trade off days or weeks to drive and watch the savings roll in.
- 13. Make a List . . . and Check it Twice:** Whenever you go shopping, make a list of what you plan on purchasing. While this may seem unnecessary, shoppers who carry a physical list are much less likely to spontaneously buy items that lead to overspending. Make a list. Buy what's on the list.
- 14. Visit the Library:** Want a simple way to save on entertainment costs? Visit your local library! You are already paying taxes to help fund the institution, so you might as well use it. Libraries have more than just books; many carry movies, music, and audiobooks that you can check-out for FREE.



- 15. Don't Pay for Things You Can Do Yourself:** Sure, food delivery is convenient, but is it worth it? When you get a meal delivered, you not only have to pay a delivery fee but you also have to tip the driver. Are those added costs worth the time it takes to drive down the street? Other things you can do yourself include washing your car, doing your taxes, and cutting your hair (although it's probably best if you have your spouse or a friend help).
- 16. Cell Phone Data:** If you are on a limited cell phone plan, you may know the ridiculous charges for going over your limits. Ensure that you track your data usage and switch to wifi whenever possible. If you consistently go over your limit, it might be worth it to switch to a more expensive, unlimited plan.
- 17. The 52 Week Savings Plan on Money Saving Hacks:** If you want a simple way to increase your savings, try this 52-week plan that will put over \$1,300 in your savings in just one year. The premise is simple; in the first week, save \$1. Every week increase your savings by \$1 so by week 52, you will be saving \$52. At the end of the year, you will have saved \$1,378. It's as simple as that.
- 18. Ask for Discounts:** Many stores and restaurants offer senior, military, and student discounts for customers who ask for them. Always ask about any discounts that apply to you. You might be surprised at the savings you receive just by asking!

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