

HOUSEHOLD BUDGETING BASICS

FOR THE LGBTQ+ COMMUNITY



This guidebook reflects information from 2020 and may change over time.

***This guidebook has been produced with funding and support from
Alberta Status of Women.***

WHY DO I NEED A HOUSEHOLD BUDGET?

WHY DO I NEED A HOUSEHOLD BUDGET?

Maintaining a household budget will help you achieve a couple of different financial goals:

- Assist you with tracking cash flow (income and expenses) — where is your money going?
- Assist you with putting money aside for large annual expenses (car expenses, travel, gift giving, etc)
- Assist you in setting aside money for paying down debts and creating savings



There are a few different ways to keep track of your budget.

- Some bank accounts have budgeting software that you can add onto your online banking
- There are apps you can download to assist with budgeting
- Another option is creating a spreadsheet in Sheets or Excel
- You can also purchase an accounting ledger (or use a notebook) to write out your monthly budget by hand

The method you use is personal to you; just make sure you choose a method that you know you will maintain every month. All of these are great strategies. You might have another method altogether-as long as it helps you stay on track, that's what matters!

I HAVE NEVER CREATED A BUDGET BEFORE. HOW DO I GET STARTED?



WHAT IS YOUR MONTHLY INCOME?

Confirm what your total income is (after taxes). This could include wages, government programs, or other forms of income.

TOTAL INCOME: _____



WHAT ARE YOUR FIXED EXPENSES? WRITE THESE DOWN NEXT.

These are expenses that do not change from month to month.

RENT / MORTGAGE: _____

CAR PAYMENT & INSURANCE: _____

BUS PASS: _____

CREDIT CARD DEBT: _____

STUDENT LOAN PAYMENT: _____

TOTAL AMOUNT: _____



WHAT ARE YOUR VARIABLE EXPENSES? ESTIMATE WHAT YOUR MONTHLY PAYMENTS ARE ON AVERAGE.

These are payments that you have monthly (or several times throughout the year), but the amount you pay could vary each time.

PHONE BILL: _____

UTILITIES: _____

HOUSEHOLD EXPENSES (INCLUDING GROCERIES): _____

GAS: _____

MEDICATION: _____

SHOES / CLOTHING: _____

PET EXPENSES: _____

TOTAL AMOUNT: _____



LIST AMOUNTS FOR NON ESSENTIAL EXPENSES.

This includes entertainment, restaurant meals, hobbies, and any other way you spend money on a regular basis.

- _____
- _____
- _____

TOTAL AMOUNT: _____



WHAT ARE YOUR ANNUAL EXPENSES?

These are any expenses that occur throughout the year on an irregular basis.

This can include expenses such as car maintenance, gifts, travel, and vet bills.



Determine the total annual cost, then divide by 12 to see how much you should set aside monthly to anticipate that amount.

- _____
- _____
- _____

TOTAL AMOUNT: _____



ADD IT ALL UP!

After adding up all of your expenses, subtract this total from your income. If your expenses exceed your income, don't panic! This is an evolving process; these numbers are not set in stone.

FIXED EXPENSES: _____

VARIABLE EXPENSES: _____

NON-ESSENTIAL EXPENSES: _____

ANNUAL EXPENSES: _____

TOTAL AMOUNT: _____

TOTAL INCOME: _____

TOTAL EXPENSES: _____

REMAINING BALANCE: _____



WHERE CAN YOU EDIT YOUR SPENDING?

Are there any areas you can look at spending less in the next 30 days? Keep editing until your expenses are less than your income. This might take some time and practice. This is completely ok!

- _____
- _____
- _____



FOLLOW YOUR BUDGET!

Try to follow the guidelines you have set for yourself and check in after a month. How are you doing?

- _____
- _____
- _____

Where can you save more money?

- _____
- _____
- _____

Do some sections need to have more funds per month or per year?

- _____
- _____
- _____

your long term financial goals are defined by you.



WHERE CAN YOU SET MONEY ASIDE FOR THE FUTURE?

Your savings don't have to be built in a week! There are so many different ways that you can build up your savings:

- RRSPs — Registered Retirement Savings Plan
- TFSAs — Tax Free Savings Account

Shorter term goals could include:

- Saving money for a damage deposit to move to a new residence
- Putting money aside to order a special outfit
- Saving money for a special occasion

Longer term goals could include:

- Saving money for a down deposit
- Retirement savings
- Travel expenses
- Education expenses

A financial planner can help you with creating and achieving your long term financial goals. Most major financial institutions offer this service.

Resources:

<https://www.mint.com/budgeting-3/how-to-create-a-budget-step-by-step>

<https://www.womansday.com/life/work-money/tips/a3609/how-to-create-a-household-budget-71585/>



calgary outlink

Centre for Gender and Sexual Diversity