

WHERE DO I SPEND MY MONEY?



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CHAMPS
Center for Healthy
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Budgeting and being frugal is not something that most individuals find exciting; it's a topic that may be avoided at all cost until one's financial situation demands attention. When we have a flexible income we can splurge occasionally and live above our means; we have the option of taking a second job or reallocating some of our future income. But with retirement, particularly for low income individuals the picture becomes very different; the reality of a fixed income may present some challenges.

Where do I start?

Start by keeping track of your monthly expenses for one to two months. If married, **both** husband and wife need to agree to do this faithfully to develop an accurate account of income and expenditures.

MONTHLY INCOME SOURCES	AMOUNT	DATE RECEIVED MONTHLY
Social Security	\$	
Supplemental Social Security	\$	
Pensions/Retirement Benefits	\$	
Interest of Dividends	\$	
Other Sources of Income:	\$	
	\$	
	\$	
TOTAL MONTHLY INCOME	\$	

MONTHLY EXPENSES	AMOUNT	DATE DUE
Mortgage OR Monthly Rent	\$	
Gasoline for Automobile(s)	\$	
Utilities:		
Electricity	\$	
Water	\$	
Home Heating Costs	\$	
Sewer (if paid quarterly, figure amount monthly)	\$	
Telephone and/or cell	\$	
Trash (if paid quarterly, figure amount monthly)	\$	
Internet or Cable TV	\$	
Groceries	\$	
Dining Out	\$	
Insurance		
Life Insurance	\$	
Homeowners or Renters	\$	
Medicare D monthly premium	\$	
Medigap / Medicare Supplement Insurance	\$	
Transportation cost (bus, taxi)	\$	
Day Care Expenses	\$	
Caregiver Expenses	\$	
Savings/Emergency Fund		

MONTHLY EXPENSES	AMOUNT	DATE DUE
Health Care (Physician, Laboratory, etc.)	\$	
Medications / Prescriptions	\$	
Loan Payments	\$	
Credit Card Payments	\$	
Clothing	\$	
Donations (Church, etc.)	\$	
Entertainment	\$	
Pet Expenses /Food/ Veterinary Care	\$	
Other		
	\$	
	\$	
TOTAL	\$	



List INTEMITTENT or ANNUAL EXPENSES including the month due and amount per month needed to meet the annual expenditure.

EXPENSES	AMOUNT	DATE DUE
Taxes:		
Federal	\$	
State	\$	
Personal Property	\$	
Real Estate	\$	
Social Security / Medicare	\$	
Auto Repairs / Maintenance	\$	
Car / Vehicle Insurance	\$	
Other Insurance	\$	
Home Repairs & Maintenance	\$	
Other:		
	\$	
	\$	
TOTAL INTERMITTENT / ANNUAL EXPENSES	\$	Divide total by 12 to determine the amount that must be saved every month to meet these obligations.

Keep a list of unexpected expenses that come up that you haven't budgeted for and then add them into your future budgeting process.

UNANTICIPATED EXPENSES	AMOUNT	DATE DUE
	\$	
	\$	
	\$	
TOTAL	\$	

Review total income against expenditures and make adjustments.

Ways to Spend Less or Stabilize the Monthly Expenditures

- If you have Medicare and have limited income and resources, you may qualify for extra help paying for your prescription drugs. If you qualify, you could pay between \$1-5 for each drug. Contact Social Security by visiting [Social Security Site](http://www.socialsecurity.gov) or by calling 1-800-772-1213. TTY users should call 1-800-325-0778.
- Many of the major drug manufacturers are offering assistance programs for people enrolled in Medicare Part D. You can find out whether a Patient Assistance Program is offered by the manufacturers of the drugs you take by visiting <http://www.rxassist.org/> or <http://www.pparx.org> or <http://www.needymeds.org/>.
- Have someone with computer skills assist you to insert your financial information into the website: <http://www.benefitscheckup.org/>. This website reviews your eligibility for benefits using your local zip code to find out what local, state and federal programs you may be eligible for. It includes informa-

tion on where to apply for assistance in your area.

- Contact your local Food Bank or check to see if there is an Angel Food Ministry in your vicinity.
- Find out if you qualify for a portion or all of your property tax relief through a Homestead Exemption. (Call Assessor's Office for dates for filing and location of filing sites.)
- Low income seniors should check with the local Agency on Aging for any programs they offer that may help defray part or all of your costs for home repairs or weatherization.
- Check with local utility company for any type of programs they have to subsidize lower income person to pay heating/cooling bills/deposits and to repair furnaces, stoves/electric heaters, heat pumps and air conditioners.
- File all medical expenses promptly with your insurance company; most insurance policies have a specific time limit to file claims and thereafter they do not pay expenses.
- Have bills deducted automatically from your checking account. This saves on postage and gives you a monthly report of your expenditures on your bank statement. It is important to balance your checking account monthly and pay any credit card bills within the time span that avoids any interest being charged. (NOT all credit cards have a 30 day grace period!)
- Have utilities on a level payment plan to avoid highs and lows in monthly bills.
- Buy necessities first and then see how much money you have left for your other purchases.
- All food has a shelf life (look for expiration dates on boxes and containers); buy only those items with the longest shelf life.
- Find friends who will partner with you to buy bulk items that can be split weekly or monthly. (Sometimes it is even cheaper to buy a large can

and throw part of it away.)

- Buy weekly specials at the grocery store and look for corresponding recipes for using “specials of the week”.
- Avoid overbuying food; perishables have a limited shelf life. It is better to purchase perishables in less quantity more often than to throw them out.
- Carry an insulated container with you to bring perishables home. Purchase frozen foods and other perishables last and refrigerate them as soon as possible. No insulated container; wrap perishables in newspapers.
- Always shop for meals you have specifically planned using a shopping list and go to the store when not hungry to avoid impulse buying
- Use discount coupons only if they save money; check for other similar items in a different brand name or store (generic) brand to see if they are cheaper. Check to see if the store has a discount card.
- Label all items you freeze with the date placed in the freezer. Mark a calendar with when you plan to use the items so they don't get freezer burn and have to be discarded. This includes leftover's from meals.
- Use recipes designed specifically to be cooked for one or two people rather than those for a family.
- Buy cheaper cuts of meat or marked down items. Find out from the butcher what day and time the meats are marked down and placed in the display case for purchase.
- Avoid eating out; it gets expensive. If you eat at a restaurant have them bring a take-home carton and place half the food in it at the beginning of the meal. You'll eat less, probably closer to a recommended serving size and have enough food for another meal at home.
- Avoid prepackaged convenience foods; cooking

from scratch is cheaper.

- Plan your shopping trip and the places you will go so you conserve on the miles driven and gasoline used. Shop with a neighbor, you both save on gasoline costs and enjoy each other too.
- Watch for where and what day of the week gas prices are the cheapest.
- Turn down the thermostat in the winter and dress more warmly to conserve energy costs; in the summer months turn the thermostat up and use a fan to circulate the air. Let the sunshine in during the winter; close drapes in summer for cooling.
- Shut the heat ducts to rooms not being used and close the doors to the room (s).
- When washing wait until you have a full load of clothes to wash and use cold water and cold water detergent (liquids dissolve better than powders).
- Reuse bath towels—you just cleaned yourself, let them dry and re-use them more than once.
- Hanging wet clothes on a clothesline or a rack may seem 'old-fashioned' but it does conserve on energy.
- If you use propane gas, fill the tank in the summer when fuel prices may be less than they are in the winter.
- Set the water temperature on the water heater to 130° F.
- If you use a fireplace, be sure to close the damper after the fire goes out; otherwise the house heat is escaping up the chimney.
- Change the furnace filter regularly to improve circulation.
- As your household incandescent light bulbs burn out replace them with compact fluorescent light bulbs. These cost more initially, but the life of the bulb is about ten times longer than the standard incandescent type.
- Whenever possible plug electric switches into a

power cord with an on/off switch. Shut it off when electric items are not in use.

- Check the actual temperature in your refrigerator and freezer with a thermometer. Adjust the refrigerator to 36-38 degrees and the freezer to 0-5 degrees.
- Do comparison shopping for your car insurance; be sure the coverage you have matches your needs; can you bundle insurances, e.g. car and home for a reduction in cost or are there other discounts available (accident-free rate).
- Look for a bank with a free checking account and other services.
- Do you really need a land-line and cell telephone; eliminate one or the other; look at the cost.
- Buy some clothing at thrift shops and/or only shop sales (do comparison pricing).
- Go to the library for books, magazines or DVDs; join Netflix for movies and share cost with others rather than going to a movie theater.
- Water down juices with 1/3 to 1/2 water to your taste.
- Mix purchased milk with 1/2 reconstituted powdered milk.
- Get prescription drugs using the mail-order-three-month method to save money. If low income, check out the website www.NeedyMeds.com to see if you can qualify for a pharmaceutical company assistance program.
- Instead of buying gifts for friends, give them IOUs for favors (supper at my house once a month, free babysitting once a month).



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