



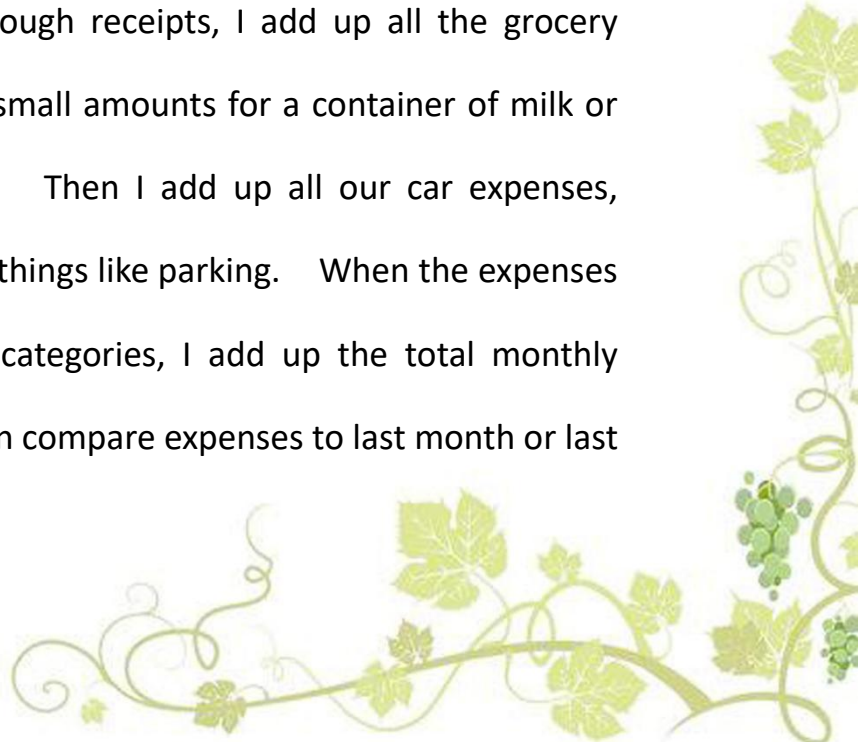
## Hold the Line Through Household Budgeting

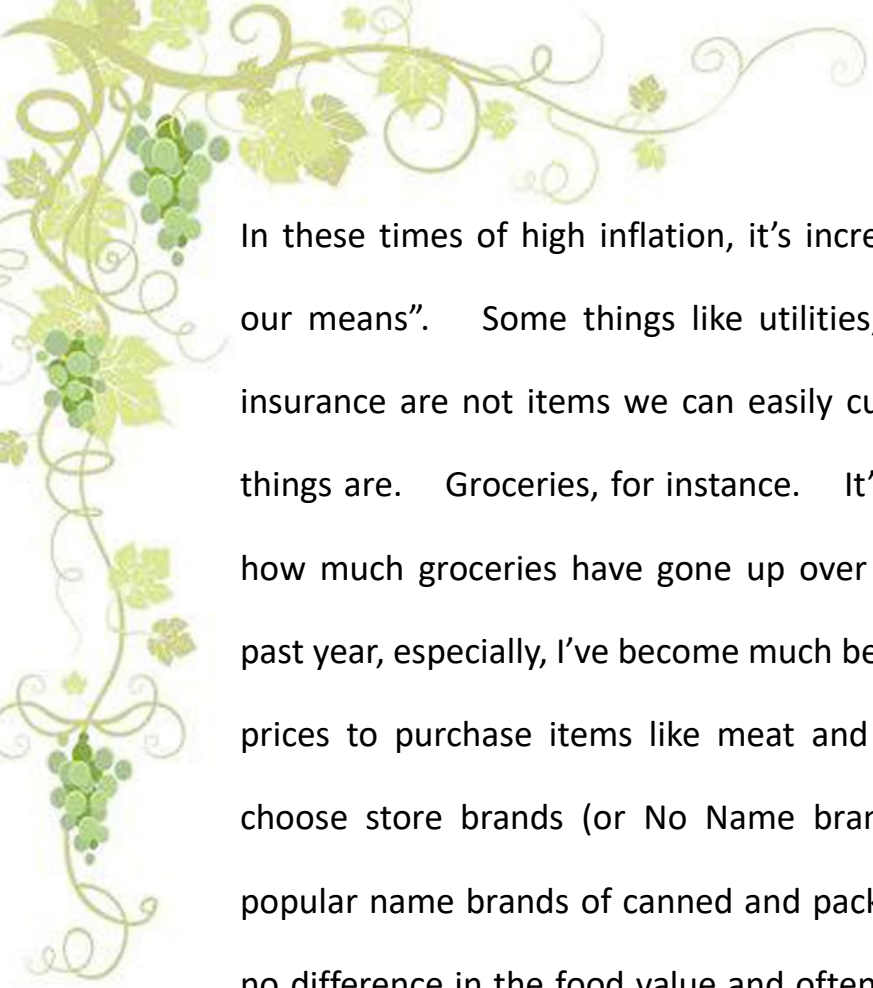
By Jean Fisher

When I retired, I suddenly started to think more carefully about where our money was going. How much were we spending on necessities, like groceries, and how much were we spending on “incidentals”? For the first time, I decided to start a spreadsheet to record all our expenses. This way, I can track unusual items like gifts and entertainment, and importantly, compare expenses month over month.

Here’s how it works: Each month, I enter all our expenditures – cash, credit card, debit card payments and even payments that come directly out of our bank account. I enter each one in the appropriate category.

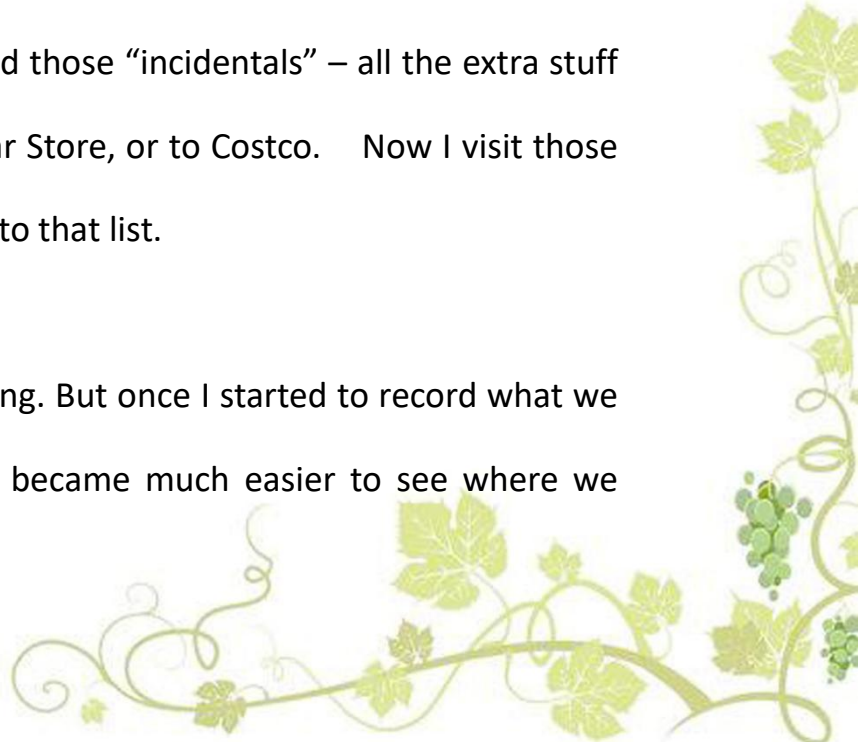
So, a word about how I’ve set up my spreadsheet. I decided I wanted it to reflect fairly detailed spending, so I do have a lot of categories (a total of 29), some of which only have amounts allocated a few times a year (like insurance). When I go through receipts, I add up all the grocery items for the month, including small amounts for a container of milk or some extra produce I pick up. Then I add up all our car expenses, including gas, maintenance and things like parking. When the expenses are all put in their respective categories, I add up the total monthly expense bills. That’s when I can compare expenses to last month or last year.

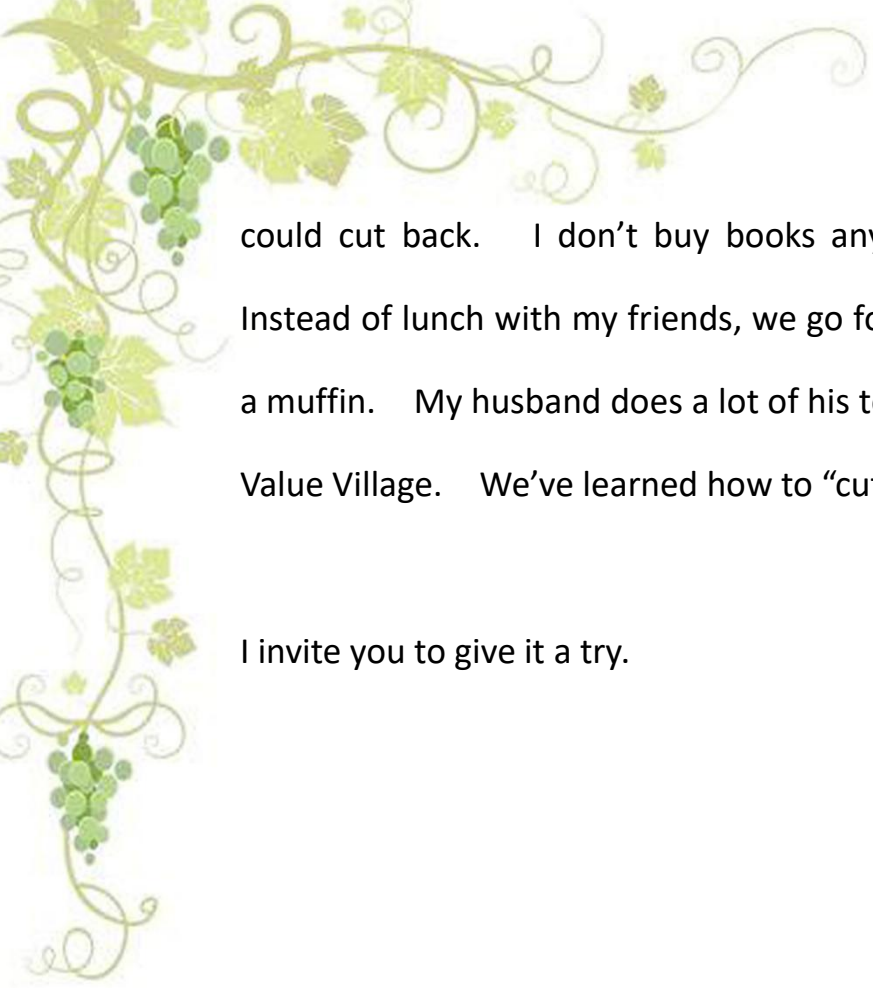




In these times of high inflation, it's increasingly difficult to "live within our means". Some things like utilities, medical and dental bills and insurance are not items we can easily cut back on. But lots of other things are. Groceries, for instance. It's interesting (alarming!) to see how much groceries have gone up over the past couple of years. This past year, especially, I've become much better at taking advantage of sale prices to purchase items like meat and produce. And we most often choose store brands (or No Name brands) over the more expensive popular name brands of canned and packaged goods. There is usually no difference in the food value and often come from the same supplier. We really haven't changed how or what we eat, just how we shop. The same goes for car expenses. When we retired, we became a one-car family. Now, we opt for public transit whenever we can. I recently discovered that I could take the express bus from Richmond to White Rock to visit my friend for just \$2.00 each way on the weekend (or off-times during the week). It would cost 3 or 4 times that for me to drive and pay for the gas. And those "incidentals" – all the extra stuff we buy when we go into a Dollar Store, or to Costco. Now I visit those stores with a list and try to stick to that list.

I've never been great at budgeting. But once I started to record what we were spending every month, it became much easier to see where we





could cut back. I don't buy books anymore – I have a library card. Instead of lunch with my friends, we go for coffee and maybe splurge on a muffin. My husband does a lot of his tool and technology shopping at Value Village. We've learned how to "cut corners".

I invite you to give it a try.

