



Money Smarts

Stop to think what it costs...

\$5.00 per child eating out three times per week could cost \$60.00 monthly if not more.

\$10.00 per parent eating out three times per week could cost \$120.00 per month.

Total cost for family of four = **\$360.00** per month.

You may want to pack lunches instead.

Smoking one pack of cigarettes a day at \$10.00 per day can cost **\$310.00** per month ... which could cover a car **or** mortgage payment

Going for coffee three to four times a day can cost **\$200.00** per month that may be better utilized on an oil bill

Credit Card Smarts...

- Only spend on a credit card what you can pay off at the end of the month
- Try to have only one credit card
- Never use a credit card for a cash advance, you are charged interest from the time it is processed *until you pay off your entire balance*
- Keep track of credit card purchases ie: on line or recording in a notebook
- Shop around for the best interest rates when you do need to use credit
- If only making minimum monthly payments make sure it is paid by the due date or your credit rating will suffer

If you are feeling financially stressed or you want to learn how to better manage your money, please contact a Credit Counsellor at Family Service PEI 1-866-892-2441.



Budgeting 101

Why Budget...

1. **You gain control of your finances.**
2. **Helps monitor your expenses and keeps you on track with spending on needs rather than wants.**
3. **You can see exactly where your money goes each month – which means you can probably find places to save.**

How to Budget ...

1. Pick a time frame that works for you. Many people use a budget for a whole month, but some people find that a weekly budget is easier to stick to.
2. Start with your income. Record everything that you are expecting to earn or receive for the time period you choose, in the '*estimated*' column.
3. Then divide your income between all the categories of expenses that follow, in the '*estimated*' column. You may wish to start with things that are mandatory – food, rent/mortgage, car, insurance, etc. Then move on to optional expenses such as entertainment, clothes, etc.
4. Your estimated budget should balance to 0. If you have money left over, put it in the 'savings' heading which can be found under the *Personal* section.
5. Throughout the time period, keep track of all of your *actual* income and expenses. This means keeping things like your pay stubs, receipts for purchases, debit slips, etc. Make sure all of your **actual income and expenses** are recorded in your budget.
6. Compare your estimated budget to your actual. Were you able to stick to your plan? If not, try to discover areas for improvement and keep trying until you are able to live within your budget.

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Time period: _____

INCOME		ESTIMATED	ACTUAL		
Earned income					
RESP/RRSP					
Bursary					
Social Assistance					
Child Support/CTB					
Commission/tips/other					
Student Loan					
TOTAL INCOME		\$ _____	\$ _____		
EXPENSES	ESTIMATED	ACTUAL	EXPENSES	ESTIMATED	ACTUAL
<i>HOUSING</i>			<i>INSURANCE</i>		
Rent/Mortgage			Dental/medical		
Heating			Life		
Electric			Vehicle		
Telephone			House		
Cable/sat.			Other (credit)		
Internet/cell			SUBTOTAL	\$ _____	\$ _____
Sewer/water			<i>MEDICAL</i>		
Service			Prescriptions		
SUBTOTAL	\$ _____	\$ _____	Vitamins		
<i>FOOD</i>			Dentist		
Groceries (mo)			Specialists		
Extras			Supplies		
Eating out			SUBTOTAL	\$ _____	\$ _____
SUBTOTAL	\$ _____	\$ _____	<i>TAXES</i>		
<i>TRANSIT</i>			Property		
Gas			Income		
Maintenance			Other		
Taxis			SUBTOTAL	\$ _____	\$ _____
Other			<i>SUNDRY</i>		
SUBTOTAL	\$ _____	\$ _____	Entertainment		
<i>PERSONAL</i>			Newspaper		
Toiletries			Recreation		
Hair cuts			Tobacco		
Laundry/dry			Alcohol		
SUBTOTAL	\$ _____	\$ _____	SUBTOTAL	\$ _____	\$ _____
<i>Education</i>			<i>Other</i>		
Tuition			Sitters/DayCare		
Student Loan			Pets		
Books			Lunches		
SUBTOTAL	\$ _____	\$ _____	Clubs		
<i>BANK Charges</i>			SUBTOTAL	\$ _____	\$ _____
Credit Cards			<i>WORK</i>		
Loans			Lunches		
LOC			Dues/fees		
Car Loan			Other/Coffee		
Overdraft			SUBTOTAL	\$ _____	\$ _____
SUBTOTAL	\$ _____	\$ _____			
<i>Personal</i>					
Clothing			Total Income	\$	\$
Gifts			Total Expenses	- \$	- \$
Savings					
SUBTOTAL	\$ _____	\$ _____	Balance I-E	\$ _____	\$ _____