

Make your budget fit your life

Tracking your spending and saving doesn't have to be time consuming or restrictive. In fact, it's freeing.

Creating (and sticking to) a budget may sound restrictive, time consuming or boring. But did you know it's actually a pretty simple habit, and one that can make you happier overall?



Here and now

Budgeting has proven, quantifiable results:



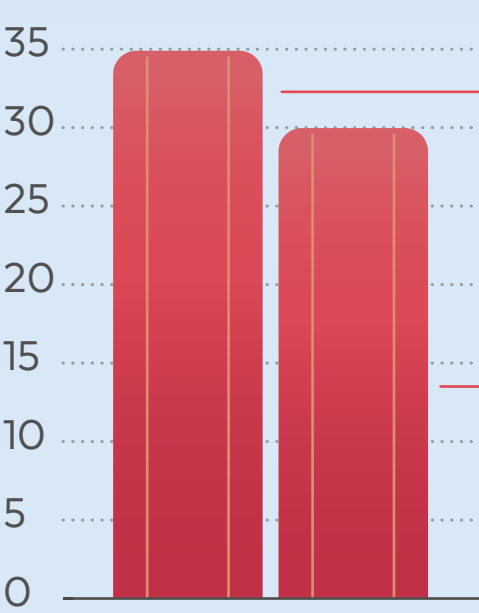
83%

of those who took action to improve their financial situation (e.g. controlling spending, budgeting, paying off credit cards, adding to job skills) felt it had a positive impact¹

70%

of those who have a budget check their spending against it at least once a week²

Unfortunately, many aren't using a budget to their advantage:



Only 35% of Americans follow a formal budget "often" or "completely"¹

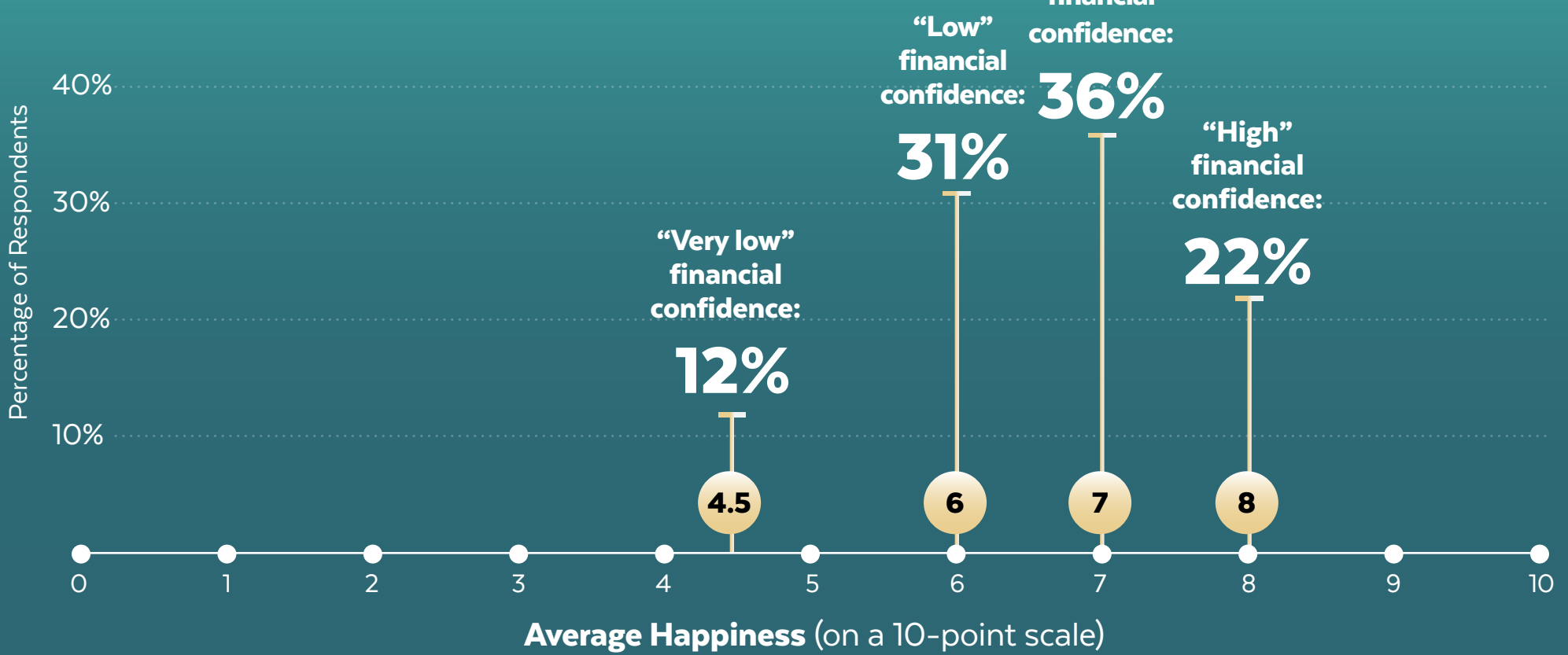
Only 30% have a long-term financial plan detailing savings and investment goals³

Americans are less likely to budget if they make less than **\$75,000 annually**³

Can budgeting make you happy?

36% of those pursuing financial confidence name **having a budget and controlling spending** as their top priority¹

When you're financially confident, you're happier in all aspects of your life¹



There are five main reasons cited for financial confidence, and four of them align with budgeting habits:¹



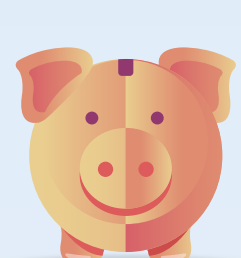
Controlling spending



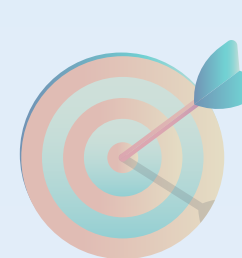
Effectively managing debt



Building emergency savings



Saving enough for retirement/investing wisely



Maximizing income opportunity

Getting started

Most popular budgeting styles:⁴

36%:
Pen and paper

18%:
Computer program

8%:
Smartphone app

Note: The other 38% surveyed do not keep a budget, or keep track of income and spending in their head



Consider what style will work for you. Are you a pen-and-paper person? Always connected to your smartphone? Somewhere in between?

These are just a few of the many ways to budget:

Budget style #1: The hands-off budgeter

Automate your bill payments so you don't need to worry about them. As for your spending, stick to a formula (e.g. 50% for fixed expenses/necessities, 20% for savings, 30% for everything else).

Budget style #2: The note taker

Track two months of expenses, then decide what needs to change before creating a hand-written budget or spreadsheet that you'll follow.

Budget style #3: The bare bones budgeter

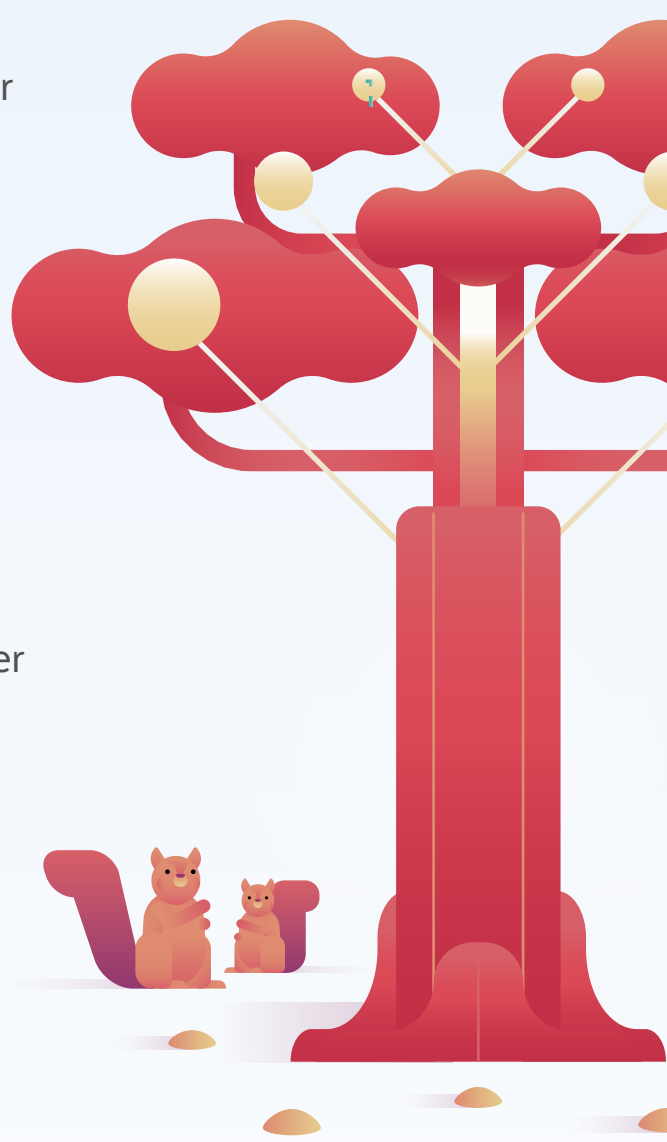
Focus your efforts in one area: savings. If your savings goals are aggressive, and you're hitting them, then everything else can be left untracked. Setting up automatic contributions to your savings account(s) should produce better results.

Budget style #4: The tech whiz

Rely on spreadsheets, websites, smartphone apps, etc.

Budget style #5: The envelope economist

Determine an amount of cash for all expenses (or at least the discretionary ones), and divide it among separate envelopes for each item. When an envelope is empty, spending for that month stops.



Tip: Open communication is key. If you're in a relationship, both partners should have a seat at the table when figuring out the budget. Have older kids? They should be part of the conversations, too.

Side hustle earnings and other irregular income

55 million Americans

(35% of the U.S. workforce) have a side gig⁵

25%

of freelancers are full time⁵

Whether all or part of your income is dependent on freelance fees, tips, commission or other unpredictable amounts, there are budgeting tips that can help:⁶

1 Track your spending (remember to account for future taxes)

2 Set a baseline budget (keep it conservative)

3 Pay yourself an allowance and/or paycheck each week (self-regulate your income)



¹ "SunTrust National Financial Confidence Poll," May 2017, SunTrust Bank

² "Budgeting Statistics: By the Numbers," June 20, 2014, CreditDonkey

³ "One in Three Americans Prepare a Detailed Household Budget," June 3, 2013, Gallup

⁴ "Budgets can crumble in times of trouble," Jan. 7, 2015, Bankrate.com

⁵ "Freelancing in America: 2016," Oct. 6, 2016, Upwork and the Bankrate Union

⁶ "Freelancers, Here's How To Budget Your Money," July 7, 2014, Forbes