CLARIDENCE WEALTH

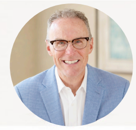
Financial Foundations

SMART STRATEGIES. STRONGER FUTURES.

Timely insights and practical tips to help you build financial confidence and achieve your goals.

AUGUST TOPIC

Where Does My Money Go?
Simple Budgeting Strategies That Work



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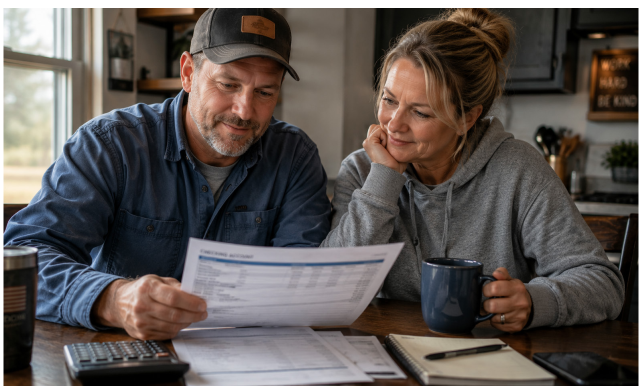
Where Does My Money Go? Simple Budgeting Strategies That Work

One of the most common questions people ask about their finances is, "Where did all my money go?" The answer usually isn't one large purchase. More often, it's dozens of small spending decisions that seem insignificant on their own but add up over time.

A budget isn't about restricting your lifestyle—it's about giving your money direction. Think of it as a spending plan rather than a list of rules. When you know how much money is coming in and where it's going, you're better equipped to make intentional decisions instead of wondering why there's so little left at the end of the month.



The easiest way to begin is by simply paying attention. For the next month, review your bank or credit card transactions and look for patterns. You may be surprised how quickly dining out, subscriptions, convenience purchases, or online shopping add up. The goal isn't to eliminate everything you enjoy, but to decide whether your spending reflects what's most important to you.

A helpful guideline is the 50/30/20 rule, which suggests directing about 50% of your income toward necessities, 30% toward discretionary spending, and 20% toward savings and debt reduction. Your percentages may look different depending on your stage of life, but the principle remains the same: give every dollar a purpose before you spend it.

Small changes often produce meaningful results. Brewing coffee at home a few mornings each week, packing lunch occasionally, or canceling a subscription you no longer use may seem minor, but saving just $25 each week adds up to $1,300 over the course of a year. Redirecting those savings into an emergency fund or toward paying down debt can significantly strengthen your financial foundation.

The goal isn't to create a perfect budget. It's to become more intentional with your money so you can spend with confidence, save consistently, and be better prepared for whatever life brings.

Money Minute

Take 15 minutes this week to review your last month's spending. Identify one expense you can reduce and automatically redirect those dollars into savings. Small, consistent habits often lead to the biggest long-term results.

Helpful Resources

- Consumer Financial Protection Bureau Budgeting Tools: consumerfinance.gov/consumer-tools/budgeting
- MyMoney.gov Budget Worksheets and Financial Planning Resources: mymoney.gov