

BUILDING YOUR FINANCIAL HOUSE

When you're first beginning to take control of your finances, it can be overwhelming. There are so many expenses; it's hard to know where to start.

Start by building your house first. Know what your core basic needs are and take care of them before anything else. These are made up of three categories, which make up our roof in the diagram on the right.

Healthy: The stuff that keeps your family alive and in reasonably good condition. This will include groceries and any medicine your family must take. It might also include health insurance.

Safe: The stuff that keeps you out of the elements and a reasonable amount of security. This will include your basic utility services (such as electricity and water) and your mortgage or rent.

Productive: The stuff that keeps you generating an income and ready to work. This will include transportation (a car, bus pass, or good pair of shoes). It will probably include a phone. It might include Internet access, email, cell phone, and a clothing budget.



The goal is to determine a reasonable number for your core basic needs. Keep your costs realistic. Plan for the different types of expenses. A fixed cost like mortgage should be handled differently than a variable cost like electricity or a non-monthly cost like car maintenance.

HEALTHY		SAFE		PRODUCTIVE	
Groceries	_____	Mortgage/Rent	_____	Car	
Medicines	_____	Electricity	_____	-Gas	_____
- _____	_____	Water	_____	-Maintenance	_____
- _____	_____	Gas	_____	-Insurance/Fees	_____
- _____	_____			-Payment	_____
- _____	_____			Phone (Home)	_____
<i>Health Insurance</i>	_____	<i>Home Repair</i>	_____	<i>Phone (Cell)</i>	_____
				<i>Internet/Email</i>	_____
				<i>Clothing</i>	_____
TOTAL:	_____	TOTAL:	_____	TOTAL:	_____
CORE BASIC NEEDS TOTAL: _____					