

## Get in Touch With Your Inner CFO

When you think of budgeting, what comes to mind? Control? Self-denial? Domination? Prison? An uninvited dinner guest? It's likely that you associate budgeting with boredom, unpleasantness, futility -- or with any other of a rogue's gallery of unsavory emotions.

Don't get bogged down by that way of thinking. Instead, think of a budget as a "spending plan" -- a systematic way to squeeze the most enjoyment out of life, one dollar at a time, by giving your money greater power. (That's why we called this Money Goal "Set Up a Spending Plan" and not "Set Up a Budget.")

### A money shrink moment

Now we'll get to the bottom of your money dreams and find out exactly what will shape your spending plan. But first, let's do a little soul-searching with the following money management questions. Be frank. It's OK if you're not the ideal chief financial officer yet.

1. Do you balance your checkbook?

Yes       No

2. Are you a long-term planner ?

Yes       No

3. When was the last time you really took a hard look at your finances

*(meaning, more than glancing over your account statements)?*

\_\_\_\_\_

4. On a scale of 1 to 5 (5 being "very important"), how important are the following?

Cutting coupons	1	2	3	4	5
Going to the gas station with the cheapest gas	1	2	3	4	5
Renting videos instead of going out to the movies	1	2	3	4	5
Comparison shopping	1	2	3	4	5

5. How much is too much to spend ...

On going out to dinner \$\_\_\_\_\_

On a gift (for a friend, a significant other, a child, a pet) \$\_\_\_\_\_

## Financial Self-Reflection

On vacation \$\_\_\_\_\_

On a wireless sterling silver ab-buster \$\_\_\_\_\_

6. If you were to inherit \$10,000, it would be most important to:

- Pay off debt
- Buy a new car
- Invest
- Take a vacation
- Throw an awesome party for your other relatives so that they, too, can see what an awesome and deserving daughter, granddaughter, 19th cousin twice-removed, you are.
- Other \_\_\_\_\_

7. What are a few comforts you wouldn't want you or your loved ones to do without?

\_\_\_\_\_

8. When do you expect to buy your next car? Will it be new or used?

\_\_\_\_\_

9. What are your top three long-term financial goals?

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

Excellent. You're learning about yourself. You're glowing. Doesn't it feel good to be so self-aware? OK, enough basking. Let's get planning. We need to figure out your priorities. Fill out the following.

List five uses of your money that made a significant positive difference in your life.

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

4 \_\_\_\_\_

5 \_\_\_\_\_

## Financial Self-Reflection

List five uses of your money that added little to your quality of life.

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_
- 3 \_\_\_\_\_
- 4 \_\_\_\_\_
- 5 \_\_\_\_\_

List five uses of your money that will positively affect your life a decade or more from now.

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_
- 3 \_\_\_\_\_
- 4 \_\_\_\_\_
- 5 \_\_\_\_\_

List five uses of your money that will negatively affect your life a decade or more from now.

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_
- 3 \_\_\_\_\_
- 4 \_\_\_\_\_
- 5 \_\_\_\_\_

Kinda interesting, no? We don't often take the time to really think about the role money plays in our lives, beyond putting a roof over our heads and funding the purchase of a polka CD collection without rival (or whatever your music predilections might be). However, as you look over what you jotted down, you'll begin to get a sense of where you'd like to redirect your money.