

SCHEDULE TIME WITH
YOUR DEDICATED
EDUCATIONAL
RESOURCE HERE:

hnighbert@mcfadvisors.com
859.967.0990



CREATING A SAVINGS BUDGET

Setting a personal budget is important, but how do we actually make one and stick to it? Monthly expenses have been increasing due to the rise of inflation. From rent, mortgages, and food at the store, most have experienced an increase in their monthly expenses in some way. Maintaining a lifestyle that we once had may not be practical anymore.

When creating a realistic budget, try to stick to the 50/30/20 Rule. 50% of total monthly income to be spent on essential expenses, 30% allocated to discretionary expenses, and 20% dedicated to savings.

1. Breakdown your monthly expenses

a. Identify Total Monthly Income.

Use your total take home (after tax) amount to determine your starting point.

b. Identify essential expenses (50%).

Mortgage or rent, insurance (including health, car, and property), groceries, utilities, transportation (car payment and gas), childcare, student loan repayments, credit card payments, etc

c. Add to cart! (30%).

Everyone needs to reward themselves from time to time. Whether that's ordering the coffee or going on that vacation you've been planning for years, be kind to yourself. Budgeting is not meant to be torture. It's okay to indulge every now and again, just in moderation.

d. Savings (20%).

Use this 20% towards an emergency fund and consider using some to save towards retirement. Many financial experts recommend putting away 12 to 15 percent of your pay for retirement, starting as early in your career as possible. If this seems like too much right now, start out at a more modest percentage. For example, 5% and step up by 1% annually until you get to that 12 to 15 percent goal. Every little bit helps you take those steps towards your retirement goals.



**SCHEDULE TIME WITH
YOUR DEDICATED
EDUCATIONAL
RESOURCE HERE:**

hnighbert@mcfadvisors.com
859.967.0990



2. How to maintain your budget

Track your budget using a spreadsheet or online tool – many financial institutions offer free, online templates that can be downloaded and used. Tracking your expenses on a monthly basis is a great way to staying on track. Be sure to make your budgeting night fun! Reward yourself after updating your spreadsheet because you're one month closer to your financial goals!

3. Finally, give yourself GRACE!

It can take a few months to get this whole budgeting thing down and to feel comfortable with a new way of spending your money. Don't be too hard on yourself, you'll get it! If you need help figuring this out, reach out to your dedicated MCF financial advisor to schedule a complimentary meeting!

IMPORTANT DISCLOSURE INFORMATION

MCF Advisors, LLC ("MCF") is an SEC-registered investment adviser. Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by MCF), or any non-investment related content, made reference to directly or indirectly in this presentation will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this presentation serves as the receipt of, or as a substitute for, personalized investment advice from MCF. To the extent that a reader has any questions regarding the applicability of any specific issue discussed herein to his/her individual situation, he/she is encouraged to consult with the professional advisor of his/her choosing. MCF is neither a law firm nor a certified public accounting firm and no portion of the presentation content should be construed as legal or accounting advice. A copy of MCF's current written disclosure statement discussing our advisory services and fees is available upon request. If you are an MCF client, please remember to contact MCF in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing / evaluating / revising our previous recommendations and/or services. The scope of the services to be provided depends upon the needs of the client and the terms of the engagement.