

## **Is It Time to Put Your Budget on a Diet?**

As we settle into the New Year, it's the perfect time to think about self improvement. Losing a few pounds, reaching a personal goal and getting the financial house in order are all great ideas. If you're looking to reach a financial goal in the next few years, there are many "financial diets" you can adopt to better manage your household budget and allocate more of your income for savings. Consider doing a few – or all – of the following things to help you.

**Keep a money journal.** Just like dieters often begin by tracking what they consume each day, try to make a habit of tracking and recording where your money really goes each day. Write down what you spend each day on gas, coffee, food, clothing and other essential and discretionary expenses. Once you have weekly averages for all of your expenses, you can identify areas where you can start saving here and there by making small, easy adjustments – or bigger changes where you may be largely overspending.

**Slim down your utility costs.** When was the last time you negotiated better rates with your satellite or cable company or cell phone provider? Pick up the phone and start dialing for possible savings. Even your local gas and electric companies offer discounts designed to help you save money each month. For example, installing a programmable thermostat to control your air conditioner and furnace will quickly pay for itself and help you save on utility costs well into the future.

**Count dollars like calories.** You know how easy it is to spend \$10. So put \$3,650 back in your pocket each year by eliminating \$10 per day from your daily expenses. You may buy specialty lattes or bottled water or soda, and eat out more frequently than you even imagine. Keep track of your success and congratulate yourself every so often by indulging in something you've cut back on.

**Dine out less frequently.** Many of us grab lunch and dinner out far more than we realize. Take stock of you and your family's eating habits and consider having friends over for a potluck or appetizers instead. Eliminating one or two dining out events per week can easily save you \$80 per month. That's nearly \$1,000 per year that you can put to good use.

**Downsize your shopping trips.** As the U.S. economy yearns for more consumer spending, the availability of discounts and coupons is prevalent. Register to receive emails from discount aggregators to track and save on the products and services you normally buy. Before making a purchase, search online for discount codes and special offers. If you're a teacher, veteran or active military, you may qualify for special discounts at some of the stores where you shop regularly. Just ask the store clerk when making your purchase.

**Take care of yourself.** The average trip to urgent care costs about \$100, while the average cost for an emergency room visit can exceed \$500. There are, of course, appropriate times to use both kinds of care, but it's important to understand where to go for health services. Also, remember to take full advantage of the best employer-sponsored health care plan for you, and consider if a flexible spending account or health savings account is a better option.

There are many ways to put your budget on a diet and create opportunities to save more for your future. If you're unsure about how to start, consider working with a professional financial advisor. He or she can help you establish a sustainable financial plan and achieve your New Year's financial goals.

###

Cheryle Brady, is a Financial Advisor with Ameriprise Financial Services, Inc. in Quincy, Massachusetts. She specializes in fee-based financial planning and asset management strategies and has been in practice for 25 years. To contact Cheryle, her telephone 617 691 2167, Ameriprise Financial Services, 859 Willard Street, Quincy, MA, 02061, [Cheryle.brady@ampf.com](mailto:Cheryle.brady@ampf.com).

Advisor is licensed/registered to do business with U.S. residents.

Brokerage, investment and financial advisory services are made available through Ameriprise Financial Services, Inc. Member FINRA and SIPC.

Ameriprise Financial does not provide tax or legal advice. Consult your tax advisor or attorney.

© 2013 Ameriprise Financial, Inc. All rights reserved.

File # 149484