

How To Find Money in Your Current Spending Plan



Learn how to recover some of the money you're losing every month by rethinking your choices and making a few minor changes.

"To be truly free & financially successful, you need to know where you stand on all your debt as a starting point so you can formulate a real plan to get to your goals. You also need to educate yourself and understand how both debt and money really work. And be prepared for the shock of your life. Then pick yourself back up and take action before it's too late."

Todd Moynier - Founder of DFPS

Do you need to boost your cash flow without bringing in more cash?



You may have some money hiding out in your expenses that you just need to spend a little time finding.

With your new Financial Empowerment Program you're on track to regain control of your debt and save a tremendous amount of money. Just like it took time for you to build up your debt it takes time to pay it all off, even in an accelerated fashion.

So what can you do about the rest of your financial picture now that you're on this new path? How can you start improving your cash flow today and save money in the other areas of your life?

What we're going to talk about in this report is how to find money in your existing monthly spending plan. You may be surprised at how much money you can find when you take the time to sit back and look at where your money is going and why.

Tracking where your money goes brings up a very important point we need to talk about. If you're already tracking your spending and know where your money goes that's great.

If you're not then you are about to start on a "treasure hunt" where you'll find money you're currently wasting and you'll be surprised at how much it all adds up to.

If you're not tracking your spending right now then by starting you're going to find places where you're wasting money. And you'll see it pretty quickly as you start paying attention to where those dollars and cents are going.

You'll be able to make some pretty quick improvements to your cash flow. They may or may not be large improvements, but it's just the start.



For you non trackers start off with this exercise. Gather up your last month's statements for your checking accounts and credit card statements.

This will time well worth spending. And the results will be more money in your pocket.

Now get ready...

You need to go through each charge you made or purchase you spent money on and write down what it was for. Then group similar purchases items together where they are similar purchases or withdrawals.

For example, are you a coffee drinker? I hate this example because I'm a self proclaimed professional coffee drinker. I eventually realized that I'd save a bundle by making it myself at home.

But I wasn't really going to do that all of the time. However, I did know that stopping off at least 3, (ok maybe 5) times a week for my special concoction was costing me at least \$15 a week.

So I asked the coffee bar guru to help me figure out how I could get my fix in and save some money too. It turned out they had a less expensive variation of my drink of choice that tastes about the same. I save a few bucks or more every week now and still enjoy good lifeblood, I mean coffee.

The point is this: it's easy to spend money when it's just a little here or there, and you don't realize how much it adds up until you add it up yourself.

Paying real attention to where your money is going will help you make some changes right away that will put money back into your pocket. This improvement in your monthly spending could make a real difference to your financial health.

Gas

The days of cheap gas are gone. Worldwide demand is up considerably thanks in part to growing need in China and India. We're just not going to see cheap gas anymore.

That affects the cost of everything since just about anything you buy got to the store in a truck that costs more to run due to those rising fuel costs.

Well there's another trip those goods have to take and that's the trip to your home in your car. How



often do you run to the store for a gallon of milk or a loaf of bread?

Almost everyone has done that and some do it quite often. And it's not just about groceries. You can find yourself driving around running errands, dropping off or picking up the kids, visiting a friend, going to church, to or from work, you get the picture.

So cut your gas costs down and plan out your driving. Work in groceries and errands with your other trips. Plan out your grocery shopping so you're getting more of what you need and not running out for one or two items.

It's good for your wallet, good for the environment, and improves your time management too.

Phones

I don't know about you but I've been using a cell phone for business and personal use for years. Now the whole family has them.

I've learned to check around holidays for specials and I pay \$69.95 a month now for the same thing I used to pay \$99.95 a month for.

A lot of people have been ditching their landlines since they have cell phones with unlimited plans. Easy savings for a duplicate service if you don't really need it.

Call your carrier around the holidays and tell them you're just spending too much on your cell plan and would like to see if there is a cheaper plan available for you. It's worth the call.

Look for deals on bundling your cell or phone with your cable or internet.

You may find some packages that lower your overall cost. And while you're at it, look at your cable TV bill. It's common for someone to get an introductory package that gives them more channels than they actually watch. When that rate expires most just start paying more for a package they usually don't really need.

Utilities

You have to pay for your utilities or you'll find yourself hunting for the candles. So you need to adjust your habits or develop new ones to cut those costs back.

When it comes to the electricity keep an eye out for those lights that are usually left on. And look at the newer CFL or LED bulbs that can save a significant amount of money over the year.

Water is easy. Putting in low flow shower heads and sink aerators make a huge difference. So does turning off the water while you're brushing your teeth. Many people over-water their lawns and gardens.

You can search online for ways to save on water and electricity and you'll find pages and pages of great ideas. Use them. Every dollar you cut your bills back by is another dollar you can put to work somewhere else.

Entertainment

This can be a difficult but rewarding area to cut back on. You can save real money here and build family memories at the same time.

Entertainment can range anywhere from going to the movies, going out to eat or have drinks, bowling, dancing, etc. Remember, entertainment



costs also include gas for driving to the entertainment and back home.

Instead of the usual, think about changing it out once or twice a month. Stay home and have your friends over for coffee and dessert, or take the family over to the park. Play games at home or take a hike together.

When the focus is less on the activity then you actually have more time to talk to one another and your relationships grow closer. That alone is priceless. But consider that while you're growing closer, you're also saving money.

You're probably going to be healthier too. Eating out and having drinks are usually calorie rich and not served in small portions.

Now many of these are tips on saving money that you've probably seen or heard before. Next we're going to look at some less conventional ways to save money that most people don't typically look at.

When it comes to your finances do not be afraid to think outside of the box. You've seen how the power of our program can help you reap huge savings on your debts. Imagine how much more you could gain financially by putting even more money to work for your future.

These can take a little more time to get set up or worked out but the savings are worth it.

We're going to be looking at products or services that sometimes involve concepts you may need to rethink. Especially when it comes to their effect on your wallet.

Insurance

The first thing to look at is insurance. You send in a monthly or yearly payment that is based in part on a deductible that you chose when you set up the account.

Many people are happy to have a low deductible. But they don't realize that the low deductible means that they pay a higher monthly payment. You can quite often regain some cash flow by switching to a higher deductible.

Insurance is designed to keep you from getting wiped out financially in case of an accident or unforeseen circumstance. But how often does that really occur? Eventually you may need that insurance protection but are you really better off making higher monthly payments over years and years to avoid that higher deductible that you may get hit with once?

Take a look at your auto insurance. Did you originally set up your insurance to replace your \$12,000 car which is now only worth \$6000? You could still be paying a premium to replace a higher value than your car is actually worth.

Check the collision and comprehensive on your auto insurance with your agent. You may find that you can start saving some money right away and still have the coverage you desire. You just change the way you pay for it. A higher deductible could make a lot of sense for you.



Look at going with a higher deductible on your homeowner's insurance. How often have you actually had a claim? Again, you could raise your deductible and start saving money the next time you renew your policy.

Prescription Medicines

If you take any prescription medication, you know how expensive this can get.

The first thing you need to do is shop around. I did and I couldn't believe the difference in prices.

First, you will often find generics will be considerably cheaper. You need to check with your doctor on switching to a generic. Sometimes you will be advised not to switch to generics for good reason. It could be that a filler or the quality of the generic may not be exactly what the original drug is. Once you know if you can use generics you'll save money there.

But generic or not you need to shop around. I've found pricing for one medicine I take at over \$60 at one big name pharmacy and for under \$20 at another.

Make sure you call big chain stores like Walmart and Costco too. (As of this writing, Costco and Sam's Club don't require a membership to get prescriptions through.) I've found great deals at both of these as they aren't trying to make a big

profit on the medicine. They want you to come to their store and buy other stuff (watch out for that as you'll easily blow your savings if you aren't on guard).

I save a considerable amount of money every month on prescriptions. And all it took was for me to call 4 or 5 different pharmacies including the big guys.

You may also find that buying two or three months worth through the mail can save you big money. Check with your insurance company to see if they offer this service.

Another way to save is if you are able to get a prescription for a larger dose pill and split them. This doesn't work for all medicines and you need to ask your doctor about it.

It never hurts to ask your doctor if they have any samples. That can save you some immediate bucks and a trip to the pharmacy.

Taxes

This is a biggie for many of you. Do you look forward to that refund check every year?

If you get money back every year then you could be putting that money into your pocket every month instead and using it to improve your finances. Why give the government your hard earned money to sit on when you could be earning interest or using it to save money by paying down debt?

You might be giving up \$100 or even \$200 a month (or much more for many people) by sending it to Uncle Sam when you need the money much more than he does.

If you have a plan for your refund, and the only way you can make sure you have the money when you want it is through this "forced savings", then you have a discipline problem to work on.



Think about this. When you get that refund check do you put that money where it will benefit you financially or does it just go to buying stuff you want and don't need?

Go to the IRS website and use the withholding calculator. Then you can adjust your withholding at work and start bringing more money home where you can use it wisely.

There are plenty of ways to improve your tax deductions too. Make sure you have a good tax preparer. If you aren't happy with yours, ask your friends and family who they use and if they're happy with them.

If you do your own taxes, use a program like Turbo Tax or H&R Block to save more money. These programs are very good for all but the most complex returns. They can also be used to fill out the paperwork that you may have to prepare for your tax professional each year.

The software programs will ask you about potential write offs that you may never have considered which could dramatically increase your refund.

One of the things to look into with your tax person is starting a home business. You could end up saving big bucks on your taxes and earning extra income once you have a business of your own.

Many businesses hire people outside of their office for certain types of work where they don't need that person full time or in their office. I knew someone who transcribed dictation for lawyers and worked at home.

Your home business can create numerous financial benefits even if you only work part-time.

One last thing. If you like getting that lump once a year remember that your dollar is losing spending power over time.

So you've actually lost money by letting the government sit on it all year and waiting for them to give it back to you later when it's worth less. Does that make good sense?

Cash Back

I think we're all guilty on this one.

You use your debit card at the store and you think you need some cash for gas or something else. So you hit the cash back button and toss those greenbacks into your wallet or pocket.

Now you just made a couple of costly mistakes and this is a habit that costs us dearly. First, you most likely pulled out more cash than you are planning to spend.

That extra money you didn't have a real plan for will most likely end up paying for something like a soda or other impulse item.

Second, if you're using cash for things it's easy to lose the receipt which makes it difficult to track your spending. You won't have a record on your bank statement showing the actual amount you're spending and what you spent it on.

Also, it's easy to lose track of how much money you think you have in the bank when you're pulling out \$20-\$40 or more here and there.

Remember, the cash back button is dangerous. This is a habit you have to break.

If you really want to see how dangerous this is to your finances, start writing down how much you pull out, what it was intended for, and how much you actually spent on the original intent for the cash.



Cash back can be the kiss of death to your finances and your financial plans.

Then figure out how much of that you blew because it was left over.

Lastly, always ask yourself if the money being pulled out is for a "need" or a "want" first.

We really mean "need". Not something you want badly, or think you can't live without. If you

Rebalance your credit cards

Rebalancing your credit cards can save you some real cash flow every month.

Credit card minimum payments are based on a payment ratio. Different cards use different payment ratios.

For example, if you balance was \$3,000 and your minimum payment is \$60, your payment ratio is 2%. Payment ratios on credit cards can range from 2% up to and over 5%.

Moving a balance from a card with a high payment ratio to a card with a lower payment ratio can create instant cash flow savings.

Imagine dropping a minimum payment on one card by \$50 because you moved the balance to a card that only went up \$25 on it's minimum payment.

That's a savings of \$25 a month you gained by making a couple of phone calls.

Now what if you have 4 or 6 or even 10 credit cards, which we see all too often. Some phone calls and some creative rebalancing and you could save even more money which you could apply to your debt plan to see even faster results.

This is one of the tricks your creditors don't want you to know because it takes your hard earned money out of their pocket and puts it back into your own where it belongs.

Think differently

There are many places to find money. Many of our clients feel stressed about their cash flow, and often, before we start helping them, they were close to going in the hole each month.

Those same people are almost never tracking their spending. They pull out cash with their debit card at the store for "convenience" and don't know where it goes. And they always feel "cash poor".

The amazing part of this to me is that everyone I talk to has different expenses, different amounts of debt, but the same basic understandings of finances and debt. And it leads them a place where they end up in the hole without a ladder.

We weren't taught how to handle money, credit, and debt in school other than some basics if that. Most of us went out into the world unprepared for credit cards and other debts.

We're also living in a whirlwind of marketing that is constantly showing us how easy it is to buy what we want, or think we need, which is rarely a true need.

We created this guide to help you take a look at your finances and find some extra money each month.

Many of these methods have helped our clients to save as much as \$100 to \$300 a month. That could create a nice emergency savings account in a year or less. It could also help you to accelerate your debt plan.

What is important for you to understand is that these savings, or boost in cash flow, can come from the money you are already spending.

Now it's time for you to put some, or at least one, of these strategies in place and see how much you could save. Then continue to look at finding ways to save on finding more money in your spending and put the money you free up toward knocking down your debt or building your future.

