

Budgeting for the Perfect Little Black Dress

Candace Wiese, Staff Writer

I have the perfect little black dress in my closet. It's the emergency dress. One I can wear when I don't have time to shop for something else. I treat it with great respect; it has a special hanger, it is covered to keep dust away from it, I have all the accessories to go with it. It was purchased without a special event on the horizon. But I'm prepared to attend that perfect little black dress event pops onto my calendar. It's in reserve.

Personal finances are the same way. I keep money in reserve case that unexpected event materializes. You know what I mean by "unexpected event" – your accountant tells you Uncle Sam insists on another \$2,000; your deck is rotting off your house; or you return from vacationing in Niagara Falls to find a water fall of your own in the upstairs bathroom. You have to prepare and treat your budget with the same respect you give your little black dress. Get it, save it and keep it safe.

Your budget needs meticulous attention to detail. Take the time to prepare an Excel spreadsheet itemizing all your monthly expenses. Diligently track all earned and expended monies. Make sure you are not spending more than you earn. Set up an interest earning account to hold the monthly surplus and segregate that money from your monthly budget. Include an automatic withdrawal from your checking account to your savings account, even something minimal like \$25.00 per month. Examine your budget on a regular basis for ways to improve it. In short time, you will be amazed at the cushion you've saved to handle unexpected events and meet your goals.