



# Budget Boomerangs

## When it comes to spending money, do you...

- shop to relieve boredom or depression?
- buy things to gain approval from others?
- shop when you “feel like it,” instead of when you need something specific?
- shop because you have cash and you want to spend it?
- buy large items without comparing features, benefits and prices?
- buy more on credit than you can pay back in a month
- know exactly how much you can afford to spend?

Sometimes people spend money to disguise a problem, to distract themselves from other pressing business or to get a feeling of euphoria associated with a fantasy of unlimited wealth. Eventually, the debts that accumulate from purchases bought on impulse can “come back” like boomerangs to ruin their budgets.

## Defense Strategies

Are there “budget boomerangs” in your life?

List your three worst spending habits:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Which of the following defense strategies are you willing to try to improve your money management? Be realistic.

- I will buy only after careful consideration.
- I will limit my spending on leisure and entertainment.
- I will save \$ \_\_\_\_\_ each week (or month).
- I will comparison-shop before buying large items.
- I will maintain loan balances below 20 percent of my income.
- I will keep track of expenses and develop a monthly budget.
- I will plan a budget based on my income and expenses and stick to the plan.
- I will consult a professional if I need help managing my money.

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