

# TYPES OF BUDGET METHODS

## ZERO-SUM

Spend every penny on paper first. This method includes creating multiple budget categories based on monthly income and current spending habits and tracking every purchase throughout the month.

## ENVELOPE METHOD

Pre fill category based envelopes with cash based on your budget. Once the cash is gone, there is nothing left in the budget. This method typically is cash only, but can be adapted to use card as well.

## SINKING FUNDS

Budget a set amount of money to put away every month for certain unexpected categories. This can be used to save for big purchases like vacations, Christmas presents, car maintenance, or others

## 50 - 30 - 20 RULE

50% of your income is for Needs - 30% is Wants - 20% is Savings  
This is a very generalized method, but great for someone that does not want to track many budget categories.