

Strategic Budgeting

Strategic Budgeting: The All-Cash Diet Brought to you by the Aurora EAP



At the start of every New Year, we hear about friends and colleagues who've decided to go on one diet or another in an attempt to atone for too much indulging during the holidays. While most of them are eliminating carbs or swapping juicing recipes, others may be trying out a regimen designed to give their bank accounts a boost: the all-cash diet.

Instead of counting calories, this diet requires setting aside your credit cards and only relying on old-fashioned cash to cover day-to-day expenses. By limiting your spending to what's in your wallet, you'll be more likely to stick to a budget—and less likely to make impulse purchases with plastic. In other words, you'll buy only what you need and less of what you simply want.

According to the Federal Reserve, the average American household owes more than \$15,000 in credit card debt. People who have switched to all-cash lifestyles for a time say that forcing themselves to live only on what's in their wallets increased their ability to pay down debt and live within their means.

In the end, a budget is merely a tool to help you reach a point where you can easily spend less than you earn, start paying off your debts and start saving. You just need to find the system that works best for you.

To learn more about the Aurora EAP work-life services available to you, please call us at 800.236.3231.