

1st & 10 Budget Busting

September 17, 2025



We are going to take a break from the traditional 1st & 10 format this month.

If you didn't pay much attention to last month's missive, take another peek...Bubblicious. Markets are still overly bubbly while the economy seems to be in some level of recession. I know. I said it. The R-word. It could be a little "r" or could be a big "r". Nobody knows. The Fed just cut interest rates by .25% which is crazy when you consider inflation, but employment is also a big piece of their mandate and unemployment is rising fast. Will a few interest rate cuts stave off a big economic downturn? Let's hope AI can save us as I'm not sure the Fed's actions will have much affect especially in the short term (other than getting stocks to rally on "easing").

Today I'm going to share with you some budgeting advice & ideas. Many of you may not directly need this, but I'm 100% sure you know **SOMEONE** who could use it – please pass it on.

First up, here is my typical monthly personal budget (scrutiny welcome):

Mortgage (PITI)	\$1,811	Car maintenance	\$100
Food/home misc	\$1,500	Home improvement	\$100
Debt service	\$825	Personal	\$100
Giving	\$800	Pets	\$100
Medical	\$700	Gifts	\$100
Education	\$500	Other	\$100
Med/Dental Insurance	\$431	Clothes	\$50
Utilities	\$400	Eating Out	\$50
Gas	\$400	Retirement Savings	\$50
Car Insurance	\$350	Date Nights	\$50
Life Insurance	\$293	Banking Fees	\$20
Emergency Savings	\$250	Josh coffee misc	\$20
Cell phone	\$200		
Other savings	\$200	TOTAL	\$9500

This may seem like a lot, and it is to some, and yet to others, you may wonder "is that it"? I think context is key...keep in mind I still have one child at home, and we are fortunate to have a business where some of our expenses are covered there. With that being said, my wife Kim and I have been hyper-focused on getting this as efficient as possible, but as with most budgets it is a work in progress. Here's what is crazy – because of inflation, many of these categories are up 30-40% over the past few years. Our home insurance and property taxes are up 50% in the past 2 years alone.

Where can I cut in this budget? Yes, the debt service and education items are weighing it down, but I think the overall discretionary spending is reasonable. But maybe I am justifying my personal priorities. Which is what we all do when looking at a budget. We have chosen to prioritize private education for our kids...that has been a big priority. Others may prioritize gym memberships or travel or giving.

The key to budgeting is really **saving first** and spending what is left (a Warren Buffett maxim), but as you can see debt can be a big drag. What if I didn't have that \$825/mo? That is nearly 10% of my budget. For many people when you include car payments, credit cards, loans, etc, this can be a huge hurdle each and every month.

Where else? Insurance costs are always something to keep an eye on, car insurance rates have skyrocketed and medical insurance isn't getting cheaper. Life insurance is one of the few insurance items that HAS been cheaper over the past 15 years.

Our food/home misc budget should get lower at some point, and we have cut it in recent years as more of our kids are on their own, but we regularly shop at Aldi and Costco with the occasional run to Trader Joe's. If we shopped only at Trader Joe's, our budget would have to be much higher.

And we are in the **VERY** fortunate camp here. Not only are we blessed with a generous income, but our mortgage is incredibly low compared to many.

What does your budget look like? Do you even have one? For so many years, our personal budget was in my head and not written or reconciled. I just hoped there was enough coming in to take care of things that I wanted. I was an idiot. Whether you have \$1 to your name or \$5 million, a budget can help you achieve your financial goals.

Step #1 – get out of debt.

Step #2 – don't get back into debt.

Step #3 – save for an emergency (\$1-\$2k)

Step #4 – aggressively save for your goals

Step #5 – be generous every step of the way

Remember, your income is all you get. Sure, you can make investment/interest gains on your savings, but your income is the primary driver of your future wealth. You need to save a chunk of it every month. Even when you are retired, you should be saving something.

Do you need budget tools? Or want to review yours? Or need helping starting one?

Let me know. I'm happy to help.

God bless,

Josh