**Abstract:** A good family budget should be simple yet comprehensive. As this brief article explains, this objective can be accomplished by addressing both the near term (such as day-to-day items) and the long term (such as college education and retirement).

**A family budget for your needs — today and tomorrow**

A wise person — who may or may not have been an accountant — once said, “Simplicity is the key to a family budget.” However, the budget should also be comprehensive enough to cover all necessities. To find the right balance, a budget should cover two distinct facets of family members’ lives: the near term and the long term.

Your near-term budget should encompass the day-to-day items that affect your family. First, the home: This is often the most expensive item in a personal budget, and includes mortgage payments or rent, utilities, maintenance, and supplies.

Other items related to daily life that need to be accounted for include groceries, fuel, clothing, child care, insurance and out-of-pocket medical expenses. Also, families need to draw clear distinctions between fixed and discretionary spending.

Along with being a practical guide to near-term family spending, a budget should address long-term goals, some of which are further out than others. For example, virtually everyone’s longest-term objective should be to have a comfortable retirement. So, a budget needs to incorporate retirement plan contributions and other ways to meet this goal.

A relatively less long-term goal might be funding college for each child. And, as a long-term but “as soon as possible” objective, a budget needs to be structured to pay off debts and maintain a strong credit rating. Our firm can help you craft a sensible budget that reflects your family’s distinctive needs.

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