

Spending Priorities Activity

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The goal of this activity is for family members to understand their spending priorities and the priorities of other family members, and to use those priorities for determining family spending.

Objectives:

Family members will determine their individual spending priorities.

Family members will learn the spending priorities of other family members.

Family members will compare spending priorities and discuss ways to meet family financial priorities.

Preparation: Add to the following list any spending items not included. Make copies of the list for each member of the household. Cut the copied lists into small pieces of paper with only one item on each piece of paper. Keep each list in an envelope for each person and include a few blank pieces of paper. Tape the first 6 steps of the following directions to the outside of the envelope so each person can refer to them as they complete the activity.

Directions: This activity is a forced choice activity. Follow these steps.

1. Take two slips of paper from the envelope and lay them on a clean surface
2. Ask yourself, "If I only had enough money to pay for one of these two, for which one would I pay?" Place that one at the top.
3. Pull one more slip from the envelope. Compare that item to the one on the top. Ask the question again, "If I only had enough money to pay for one of these two, for which one would I pay?"
4. If you put the new item at the top, pull another item from the envelope. If not, compare the new item with the one at the bottom.
5. Continue comparing two items at a time until you have all of the items in order from the top priority down to the least priority.
6. Use a piece of tape to secure all of the items in order on a piece of paper and label with your name.
7. When all family members have completed their priority list, call a family meeting to compare lists and discuss the reasons why priorities were selected. It may be helpful for the adults in the family to have a discussion before including the children.
8. After discussions and a few days for each member to reflect on the discussions, call another family meeting to discuss how family decisions will be made about spending priorities. Try to come to a consensus about spending priorities. That means agreeing to how the money will be spent when there isn't enough money to buy everything wanted by everyone in the family.
9. Here are some tips to follow when discussing spending priorities:
 - a. Everyone's opinion is valuable. Remember to listen.
 - b. Discuss the reasons behind the choices.
 - c. Sometimes a category seems frivolous to one person but the other person may need or want that category for self care.
 - d. Personal interests vary. Plan to respect other's values.
 - e. Try to accommodate at least one priority category for each person in the family.

Priority Spending Categories

Childcare

Life insurance

Children's education

Magazines & books

Clothing

Pet expense

Doctor/medical

Property insurance

Eating out

Recreation/sports

Education

Rent/house payment

Emergency fund

Retirement funds

Entertainment

Savings

Gifts to give

Taxes

Groceries

Telephone

Haircuts/personal care

Tithe/charity

Health insurance

Transportation

Home equipment/furnishings

Utilities

Home repair

Vacation/travel

Farm/Ranch Priorities

Breeding stock

Supplies

Bank fees

Taxes

Car or truck expense

Farm/ranch utilities

Charitable donations

Vet fees

Chemicals

Equipment

Custom work

Land

Feed

Fencing

Freight & trucking

Trees

Gas, fuel, oil

Retirement funds

Crop insurance

Social security

Interest on loan

Computer & software

Hired labor

Meals & entertainment

Professional services

Rent

Repairs

Seed