

Your Employee Assistance Program is a support service that can help you take the first step toward change.

Finances for New Parents

The news that a baby is expected prompts many couples to make positive changes in their lives. They may adopt healthier lifestyles, resolve to take control of spending and start saving some money.

You may find that budgeting is difficult, however, as you run into the unexpected expenses that new parenthood can bring, at a time when your income is temporarily reduced.

There is the baby's room to be furnished and possible medical expenses that insurance doesn't fully cover. Additionally, when baby's born, there may be child care expenses.

Although these additional expenses may make budgeting seem difficult, they are all the more reason for new parents to develop a budgeting process. A little preparation before baby comes can help reduce stress that can interfere with enjoying new parenthood.

Here are some tips to establish a budget you can live by:

- **Keep track of expenses.** Buy a small notebook and record every item you buy. Total the figures at the end of the month. When you see where your money is going, it will be easier to choose places to cut back.
- **Talk to other new parents.** They can give you a rough idea of the amount you'll need for monthly expenses like diapers and big items like a crib or a stroller. They may also be able to give you tips on ways to find lower priced supplies or equipment.
- **Be reasonable.** Most of us can probably live within a budget for a short period of time. However, an unrealistic budget can become a burden after a while. It's important to start out with a budget you can live with; otherwise you may decide that you can't live within a budget at all.
- **List priorities.** Make sure you and your spouse agree on financial goals. List what you need and what you want. Knowing you are saving for a large item that you'll both enjoy can help you both stick to a budget.
- **Be flexible.** Feel free to change a budget that's too tight or not tight enough. It may take a few months to find a comfortable budget. In the meantime, you'll be taking important steps toward controlling your spending and reaching financial goals.

If you require additional guidance on how you can ensure you're financially prepared to support a child, consider hiring a trusted financial advisor. He or she will be able to help you lay out a plan so that you and your family can remain financially stable.

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