

# Budget Guidelines

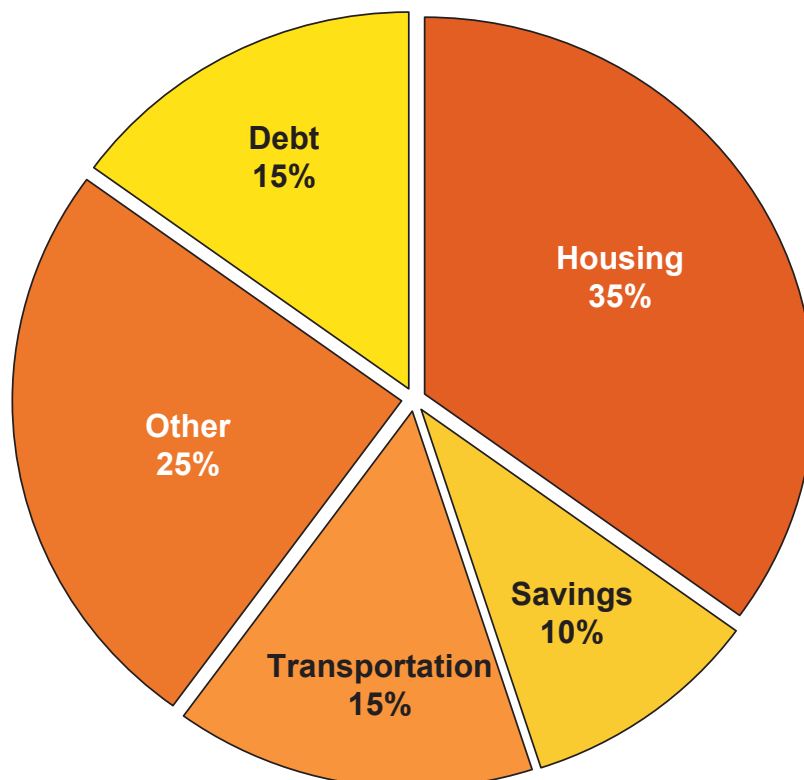
**Housing** – Spend no more than 35% of net income on housing. Depending on whether you rent or own, that can include: mortgage/rent, utilities, insurance, taxes, and home maintenance.

**Savings**- Save at least 10% of income throughout your working life. Make sure you have 3-6 months income in an emergency fund before you start saving for other goals.

**Transportation**- Spend no more than 15% of net income on transportation. That includes: car payment, auto insurance, tag or license, maintenance, gasoline, and parking.

**Debt**- Spend no more than 15% of net income on all other consumer debt: student loans, retail installment contracts, credit cards, personal loans, tax debt, and medical debt.

**Other** – Spend no more than 25% of net income on all other expenses: food, clothing, entertainment, childcare, medical expenses, tithing/charity, and vacations.



# Income and Expenses Worksheet

**Example based on \$30,000.00 (A)**

## My Expenses (B)

Housing 35%	Monthly Payment
Calculation: Monthly income x .35 = Recommended budget amount	2500.00 x .35 = <b>\$875.00</b>
Rent/Mortgage	800.00
2nd Mortgage	
HOA (association dues)	
Property Taxes	
Home/Renters Insurance	
Gas/Electric (average)	80.00
Water/Sewer/Garbage	50.00
Cable/Satellite	75.00
Telephone	60.00
Maintenance/Cleaning	
Pool/Lawn Service	
Monitored Alarm	
<b>Total housing expenses 35%</b>	<b>1,065.00</b>

Other 25%	Monthly Payment
Calculation: Monthly income x .25 = Recommended budget amount	2500.00 x .25 = <b>\$625.00</b>
Groceries/Household Items	100.00
At Work/School	
Daycare/Sitting	
Alimony/Child Support	
Health Insurance (dental/vision)	
Prescription/Doctors Visits	30.00
Clothing/Laundry/Dry Cleaning	
Personal Care	75.00
Movie/Video/Dining Out	75.00
Sports/Hobbies/Clubs/Gyms	
Vacation/Travel	
Pet Care	
Pager/Cell Phone	
Banking Fees/Postage	
Computer/Online Fees	25.00
Religious/Charity	
Other/Gifts	
<b>Total of other housing 25%</b>	<b>305.00</b>

**Total Income \$** (A) \$2500.00  
**Total Monthly Payments \$ -** (B) \$2190.00  
**Discretionary Income =** \$310.00

Transportation 15%	Monthly Payment
Calculation: Monthly Income x .15 = Recommended budget amount	2500.00 x .15 = <b>\$375.00</b>
Car Payment # 1	300.00
Car Payment # 2	
Gasoline	120.00
Maintenance/ Repairs	
Auto Insurance	100.00
Auto Registration	
Toll/Parking/Bus	

**Total Transportation 520.00**

Debts 15%	Monthly Payment
Calculation: Monthly Income x .15 = Recommended budget amount	2500.00 x .15 = <b>\$375.00</b>
Credit Cards	100.00
Personal Loans	100.00
Student Loans	
Other	
Other	
<b>Total Other Revolving/ Installment</b>	<b>200.00</b>

Savings Recommended 10%	Monthly Payment
2500.00 x .10 = \$250.00	
<b>Savings</b>	<b>100.00</b>

**Total Monthly Payments** (B) 2190.00

## My Income

Income - Monthly	Amount
Wages	<b>2500.00</b>
Social Security	
Child/Alimony Support	
Interest/Dividends	
Public Assistance	
Other	

**Total Income** (A) 2500.00

### My INCOME (A)

It's important to be aware of where your money is going. Fill out this worksheet to the best of your knowledge for a clear breakdown of your monthly income and anticipated expenses.

Any & All Income	Monthly Amount	SAVINGS (10% Recommended )	
Wages "Take home"		Monthly income x 10 =	
Social Security		Savings	
Child/Alimony Support		Other	
Interest/Dividends			
Public Assistance			
Disability			
Other			
<b>Total Income =</b>		<b>Total Savings =</b>	

### My EXPENSES (B)

The (%) shown represents a percentage budget guideline.  
 Example: "You should spend no more than 35% of your net income on HOUSING."

HOUSING (35%)	Monthly Payment	DEBTS (15%)	Monthly Payment
Calculation for recommended budget: Monthly income x .35 =		Calculation for recommended budget: Monthly Income x .15 =	
Rent/Mortgage		Credit Cards	
2nd Mortgage		Personal Loans	
HOA (association dues)		Student Loans	
Property Taxes		Other	
Home/Renters Insurance		Other	
Gas/Electric (average)		Other	
Water/Sewer/Garbage			
Cable/Satellite		<b>Total Other DEBT Expenses =</b>	
Maintenance/Cleaning		<b>OTHER (25%)</b>	<b>Monthly Payment</b>
Telephone		Calculation for recommended budget: Monthly income x .25 =	
Pool/Lawn Service			
Monitored Alarm		Groceries/Household Items	
<b>Total HOUSING Expenses =</b>		At Work/School	
<i>OVER/UNDER BUDGET</i>		Daycare/Sitting	
<b>TRANSPORTATION (15%)</b>	<b>Monthly Payment</b>	Child/Alimony Support	
Calculation for recommended budget: Monthly Income x .15 =		Health Insurance (dental/vision)	
Car Payment # 1		Prescription/Doctors Visits	
Car Payment # 2		Clothing/Laundry/Dry Cleaning	
Gasoline		Personal Care	
Maintenance/ Repairs		Movie/Video/Dining Out	
Auto Insurance		Sports/Hobbies/Clubs/Gyms	
Auto Registration		Vacation/Travel	
Toll/Parking/Bus		Pet Care	
<b>Total TRANSPORTATION Expenses =</b>		Pager/Cell Phone	
<i>OVER/UNDER BUDGET</i>		Banking Fees/Postage	
		Computer/Online Fees	
		Religious/Charity	
		Prepaid College	
		Other/Gifts	
		Other/Gifts	
		<b>Total of OTHER Expenses =</b>	
		<i>OVER/UNDER BUDGET</i>	

**Total INCOME (A) \$** \_\_\_\_\_  
**-minus Total Monthly EXPENSES (B) \$** \_\_\_\_\_  
 (housing+transportation+debt+other)  
**TOTAL \$ Left Over (if any)** \_\_\_\_\_

How'd you do? Did you come across anything that can be adjusted? Are you spending too much in a certain field?  
 What would help your overall monthly budget? What would it take to really become financially stable for months to come?

## Tips to Save

- **Cook at home**
- **Make your own coffee**
- **Brown bag your lunch at least a few times a week**
- **Buy in bulk whenever possible**
- **Consolidate and pay off debts as soon as possible. Money paid in interest is money thrown away.**
- **Pay your bills on time and avoid late fees**
- **Be aware of your bank balance and avoid overdraft fees**
- **Avoid ATM fees**
- **Avoid credit cards with annual fee**
- **Instead of buying books, borrow books from the library**
- **Price check before buying anything expensive**
- **Bottle your own water**
- **Avoid vending machines**
- **Keep your car as long as possible**
- **Do regular scheduled maintenance on your vehicles**
- **Take public transportation or carpool when possible**
- **Regulate your electric use. Unplug electric appliances when not in use. Unplugging items instead of just switching them off can save a lot of electricity**

