



# Building a Budget that works for you!

A budget is a plan for how you intend to spend and save your money. It should focus on getting what you want and reaching your goals!

1

Write down your monthly take-home income and these expense categories.



2

List your expenses, using actual receipt amounts when available, and estimates if you are not sure. Put an asterisk by non-essential items.

1

## Goals

This includes savings for your future such as retirement, investments and 401K. It is also savings for emergencies, vacations, the down payment on a home, or debt reduction and paying off credit cards. Put savings away first!

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## Utilities

This includes bills for electricity, water, heating, garbage, home phone and cell phones, cable, internet, and Netflix, or other subscriptions.

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## Housing

This includes your house payment, taxes, insurance, association dues and repairs and maintenance. If you rent, it is your rent, and renter's insurance.

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## Health

This includes medical expenses such as doctor visits, medications, medical devices, dental care, vision care, gym memberships, health, life, disability or longterm care insurance.

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## Groceries

This includes your groceries, dining out, and even pet food and treats. This can also include household cleaning supplies, detergents and toiletries.

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## Children

This category should cover child care, babysitters, child support, back to school expenses, books, extracurricular activities, and college expenses.

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## Transportation

This includes car payments, fuel, tires, oil changes, maintenance, parking fees, repairs, DMV fees, car insurance and future car replacement costs. It may include RV, ATV, motorcycle, or boat expenses as well.

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## Misc

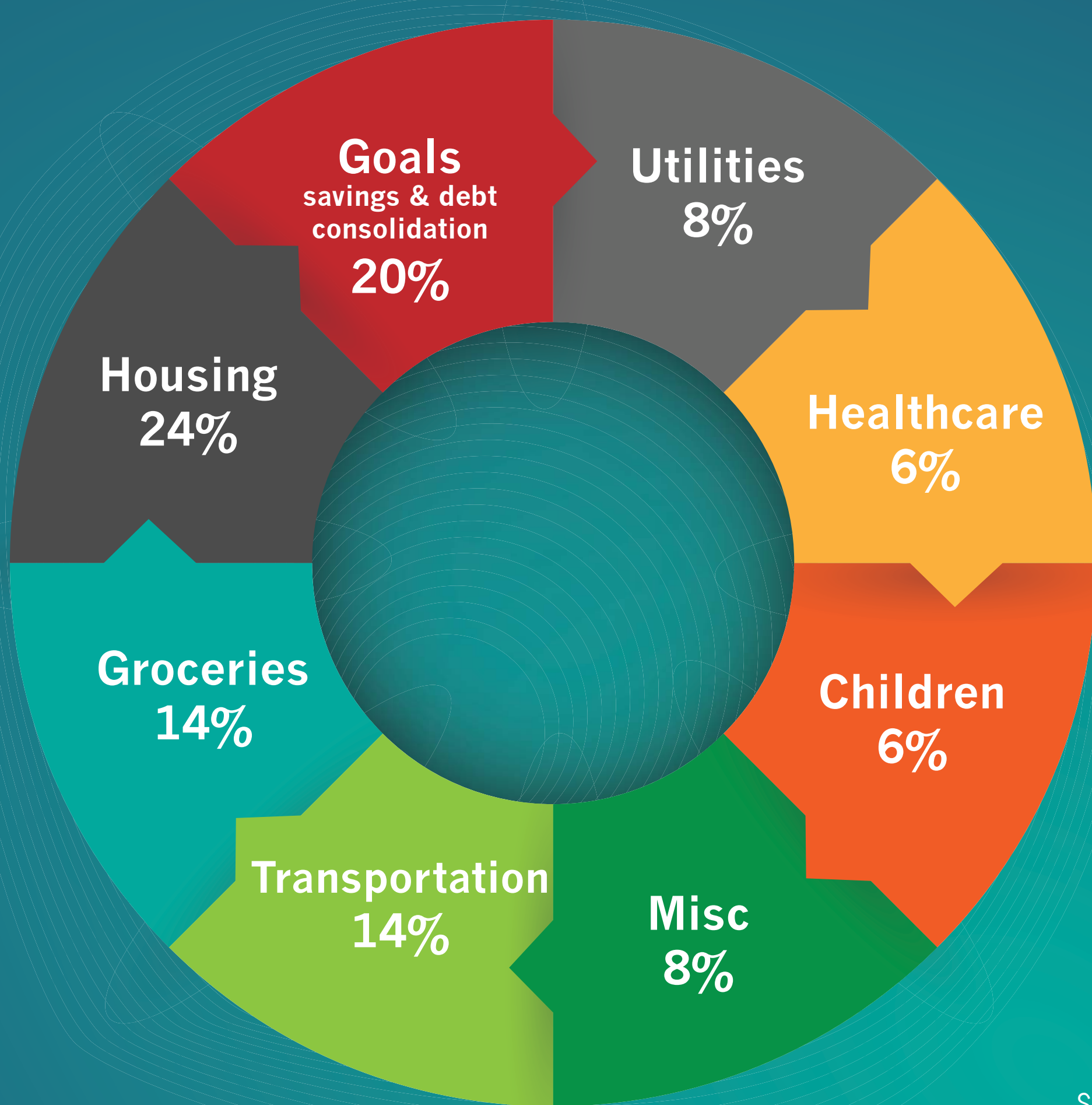
This category covers everything else, such as hair cuts, gifts, clothing, entertainment, games, extra debt reduction payments, personal loan payments, vet bills, attorney fees, dry cleaning, church offerings, etc.

3

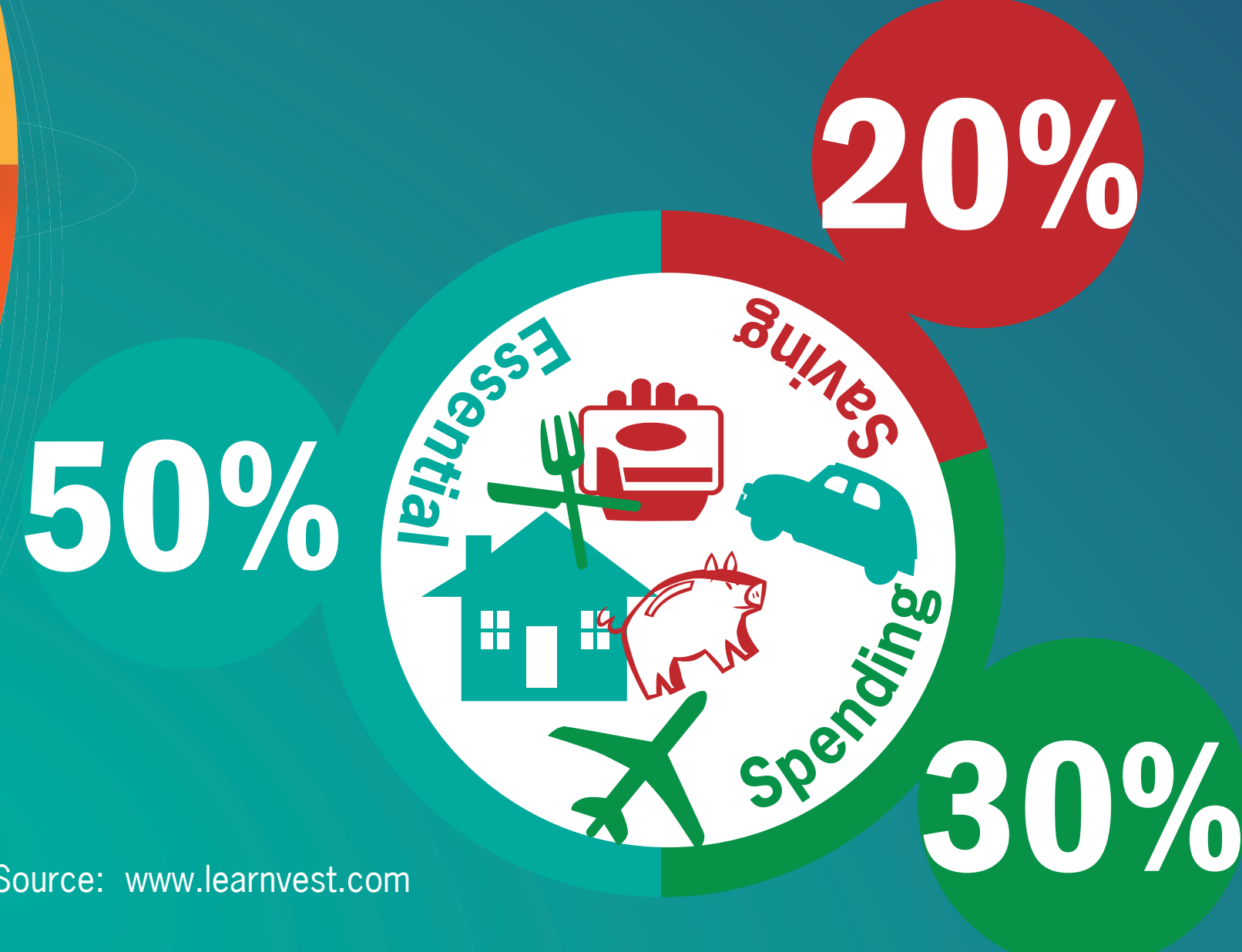
Deduct your monthly expenses from your income. Make cuts to non-essential items until your budget either breaks even or ends with a positive balance.

## How much should you budget for each category?

These are very general guidelines. Every budget is different based on income, family size and location



## Or use the 50-20-30 Rule



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Prioritize your budget and look for areas to cut. Keep working the numbers until you have positive cash flow.

## Prioritize

Prioritize your spending, based on what's important to you. A budget should not deprive you, it's should empower you to get what you really want.

1 out of 3

Americans live paycheck to paycheck

Source: www.money.cnn.com

## Cut Current Debt

The most effective savings method is to evaluate your loans to see if you would benefit from refinancing. A free evaluation is available from most financial institutions.

