Household Budget Worksheet

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STEP 1 – YOUR PAYCHECK

Total Monthly Net Income	+	_____
Taxes, Health Insurance. & Other		
Deductions (if not payroll deducted)	–	_____
Savings, Life Insurance, etc.	–	_____
Total "Take-Home" Pay	Total =	_____

(**Step 1 Tip:** While we recommend putting as much into savings as possible and maxing out your 401K, this is often not realistic. Meeting with a qualified financial planner is the best way to determine how much you have to put away to reach your investment or retirement goals, as well as come up with a strategy of debt-reduction as required)

STEP 2 – HOME EXPENSES

Rent or Mortgage	+	_____
Utilities (electric, gas, water, garbage, etc.)	+	_____
Insurance (set aside if not paid monthly)	+	_____
Homeowners Association Due	+	_____
Maintenance & repairs (set aside for future use)	+	_____
Taxes (set aside if not paid monthly)	+	_____
Other_____	+	_____
	Total =	_____

(**Step 2 Tip:** Many mortgage companies will allow you to set up an escrow account into which you pay and from which funds are withdrawn for insurance, taxes and even homeowners. This convenience can help keep these payments in line and also help you avoid any temptation of spending this money if "set aside" for annual payment.)

STEP 3 – CAR EXPENSES

Loan Payment	+	_____
Gas	+	_____
Insurance (set aside if paid annually)	+	_____
Maintenance & repairs		
(set aside for future use)	+	_____
Other_____	+	_____
	Total =	_____

(**Step 3 Tip:** Many gas stations offer branded debit cards which you load and use for gas purchases at any of their locations in exchange for discounts as high as 20¢ / gallon. If you have a favorite gas station or brand, a gas debit card is a simple way to save with each gallon you pump.)

STEP 4 – DEBT

Creditor #1	_____	Balance _____	+ _____
Creditor #2	_____	Balance _____	+ _____
Creditor #3	_____	Balance _____	+ _____
Creditor #4	_____	Balance _____	+ _____
Creditor #5	_____	Balance _____	+ _____
		Total =	_____

(**Step 4 Tip:** Making the minimum monthly payment on a credit card of $6,000 will result in more than 20 years worth of payments in order to finally pay the initial $6000 balance. That's 20 years of interest the bank will be making on your initial purchases. If you are serious about conquering your debt, start by paying 2-3X the minimum in addition to minimizing your credit card usage.)

STEP 5 – EVERYDAY EXPENSES

Groceries, Lunches, Dining Out	+	_____
Childcare	+	_____
School Tuition/Supplies/Student Loans	+	_____
Entertainment, Cable, Video Rentals	+	_____
Pet Supplies & Vet Exams	+	_____
Clubs (Fitness, Cooking, Sports, Etc.)	+	_____
Newspaper, Magazine Subscriptions	+	_____
Clothing	+	_____
Hair/Nails	+	_____
Religious Offerings/ Donations	+	_____
Charitable Contributions	+	_____
Medical Bills and Co-pays	+	_____
Prescription Medicines	+	_____
Gifts	+	_____
Cash	+	_____
Other_____	+	_____
Other_____	+	_____
Other_____	+	_____
Other_____	+	_____
Other_____	+	_____
	Total =	_____

(**Step 5 Tip:** Many everyday expenses seem minimal at first glance, but can add up to a large amount when they are accounted for over the year. Look for creative ways to reduce these costs. In the long run you will see that there will be minimal impact to your daily life, but a big impact in your annual spending.)

STEP 6 – CALCULATE YOUR EXPENSES

Home	+	_____
Car	+	_____
Debt	+	_____
Everyday	+	_____
	Total Expenses =	_____

STEP 7 – CALCULATE YOUR SURPLUS OR SHORTFALL

Total "Take Home" Pay	=	_____
Total Expenses	–	_____
Surplus / Shortfall	=	_____

STEP 8 – REVIEW YOUR FINANCIAL SITUATION

Once you've calculated your surplus / shortfall, take a good look at the number. For many, this will be the first time you see this information presented in this fashion.

If you have a "surplus" - Good for you! You're spending less than you make and that puts you ahead of most people.

(over)

If you have a "shortfall" - Don't feel bad or discouraged! While you need to do some work, you can now see the situation and begin establishing a plan that can positively impact your financial future.

STEP 9 – IMPROVING YOUR FINANCIAL SITUATION

Whether you have a surplus or shortfall, you know that there are expenses listed above that you can do without. It may be helpful to review the "25 Savings Tips" quick reference guide for inspiration. Take a good look and then take action!

If you have a "surplus"

1. Choose 2 things that you can do without.
2. Choose 2 things you can reduce.
3. Make a note of these changes in the right margin and now recalculate your surplus.
4. Move on to Step 10.

If you have a "shortfall"

1. Choose 2 things that you can do without.
2. Choose 4 things you can reduce.
3. Make a note of these changes in the right margin and now recalculate your surplus/shortfall number.
4. If you still have a "shortfall", go back to Step 1 above.
5. If you have a surplus, move on to Step 10.

STEP 10 – STICK TO IT

We're almost done! In this brief exercise, you've gained visibility, reviewed and improved your overall financial situation…on paper. The next step is to transfer what you see here on paper to your daily life.

The key to success can be summed up in one word – accountability – as visibility without action will not create results. The best options to stay on top of your financial situation:

- Employ an online tool such as Mint.com that links to all your bank, credit card, car loan and other accounts and calculates your assets and debts while detailing where all your money is going. You may even program in the budgeted amounts above to create an online financial dashboard that you can review as often as needed.
- Sign up for online banking and billpay. While not as comprehensive as Mint.com, it will provide an online interface detailing all the money coming in and going out of your accounts. It can also be used in conjunction with regular review of this worksheet to see if goals and budgets are being met.
- If you are not technically savvy, you only need to make a commitment to review this sheet on a regular (weekly or monthly) basis. Compare budgets set on this sheet to your check register and receipts you save. While this method requires some diligence, it can be an effective tool to conquering your budget challenges.

To get other financial planning tips, please visit us online at:
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