



*Getting and
Staying on Track*

**Make the Most
of Your Income**



Your Personal Spending Plan



What is it?

- A step-by-step plan for ensuring bills are paid on time and money is prioritized to help you reach your financial goals

Benefits

- Reduces money-related anxiety and stress
- Gives you control of your financial situation
- Helps you build assets and improve your quality of life

Money Management Tools



Establish a routine

- Put it in black and white
 - Worksheets
 - Computer Programs
- Create a process
 - Find a time and place that works for you
 - Make the plan a reality
 - Involve all family members



Other Budgeting Tools



- **Envelope System**
 - Make an envelope for each expense category.
- **Budget Box System**
 - Put dividers for each day of the month in a box to file bills in.

Elements of a Spending Plan



- **Set Goals**
- **Income**
- **Expense Tracking**
 - Track Expenses for 30 days
 - Fixed expenses Car, Housing
 - Variable Expenses Gasoline, Utilities
 - Periodic Expenses Insurance, Gifts
- **Lifestyle habits- Needs versus Wants**
- **Understand where you can cut back**
- **Write it down and follow it**

Set Goals



Goals are dreams with deadlines

	<u>YOUR GOAL</u>	<u>ESTIMATED COST</u>	<u>TARGET DATE</u>
<u>Short Term Immediate</u>	Emergency savings	\$1,000.00	8 Months
<u>Mid Term 1 - 5 Years</u>	Buy a used car	\$5,000.00	3 Years
<u>Long Term 5 Years +</u>	Down payment on a house	\$18,000.00	10 Years
	Total monthly savings needed to reach goals	\$413.88	

Spending Plan Worksheet



Empower Your Financial Future Monthly Budget Worksheet



HOUSING		NOW	REVISED	PROTECTION		NOW	REVISED
Mortgage/Rent	\$			Life Insurance	\$		
Second Mortgage	\$			Hospital Insurance	\$		
Home Equity	\$			TOTAL	\$		
Household Insurance	\$						
Taxes	\$			CLOTHING		NOW	REVISED
Electric	\$			Clothing	\$		
Heat	\$			Dry Cleaning	\$		
Water/Sewage	\$			Laundry	\$		
Phone	\$			TOTAL	\$		
Cell Phone	\$						
Cable	\$			MISC. EXPENSES		NOW	REVISED
Trash	\$			Allowances	\$		
Security System	\$			Barber/Beauty	\$		
TOTAL	\$			Contributions	\$		
				Tobacco	\$		
				Gifts	\$		
				Entertainment	\$		
				Medication	\$		
				Pet Supplies	\$		
				Tuition	\$		
FOOD		NOW	REVISED				
Groceries	\$						
Lunches out	\$						
Dinner out	\$						

Cash Flow Worksheet



		Date	Date
Income			
Expenses			
Housing			
Utilities			
Food			
Transportation			
Medical			
Personal & Miscellaneous			
Clothing			
Creditor Payments			
Savings and Goals			
Total Expenses			

Cash Flow Worksheet



Snapshot of your monthly expenses

- Should be expanded for more detail
- Ask yourself: What's missing?
 - Savings for that rainy day
 - Anticipated future spending
 - Steps to reach your goals
- Ask yourself: What are my priorities?
 - Identifying where you want money to go helps you make better decisions

Irregular Expenses



JAN		FEB		MAR		APR		MAY		JUN	
Real estate taxes	\$500					Dentist	\$160			Real estate taxes	\$500
Car insurance	\$100									Car insurance	\$100
Total:	\$600					Total:	\$160			Total:	\$600

JUL		AUG		SEPT		OCT		NOV		DEC	
		Family reunion & vacation	\$300					Thanksgiving & 5 family birthdays	\$200	Holiday Spending	\$700
		School clothes	\$200								
		Total:	\$500					Total:	\$200	Total:	\$700

Total: \$2,760 or \$230 per month

When It Doesn't Balance



Only two ways to resolve this dilemma

- Increase Income
- Decrease Expenses



When It Doesn't Balance



- Get a second job or search for temporary work
- Use community resources
- Know dining specials at restaurants
- Barter your services
- Sell “stuff” you have laying around the house
- Check with your employer to see if you have benefits with area merchants
- Do your homework before you go out shopping (Know where the best deals are)
- Ask for the best price

When It Doesn't Balance



- Use direct deposit. You will be less likely to spend money if it goes straight to your account, especially your savings account.
- Don't use credit to supplement income you do not have.
- Buy only what you need – don't buy things just because they are on sale.

When It Doesn't Balance



- Take lunch to work instead of eating out. Saving \$8/day for 20 days = \$160/month.
- Shop around to get the best deal for big-ticket items like cars and appliances
- Pay your bills on time to avoid late fees.

Savings



Should be at the top of the spending plan

- **Are key to reaching your goals**
- **Protect us from the things we cannot control in life**
- **Protect your good credit**
- **Are more likely to grow when you pay yourself first**

Everyone Can Save!!



Save your change

- Use only paper money so you can get more change
- Exchange dollars every few days for coins
- Save your next pay increase – take 1% and have it automatically deposited to a savings account
- Don't have ATM or online access to your savings account



For more information about managing your personal finances, call Apprisen at:

1-800-355-2227

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