

Money Management Planner



BALANCE will help you plan

The Money Management Planner is a guide to help you take control of your finances. It will help you determine your net worth, set goals, monitor your cash flow and track expenses. A sound spending and savings plan is the foundation for your long-term financial success.

Examine your past finances to create a plan for all future spending and saving. This is the first step toward developing a realistic monthly budget. During this process, you may find that certain financial behaviors may have kept you from achieving your financial goals in the past.

If your expenses exceed your income, call BALANCE to schedule a money management session. One of our Certified Counselors can help you design a realistic spending and savings plan that will help you get back on track and achieve your financial goals.



Financial Goals

Your financial goals are specific things you want to do with your money within a certain time period. Short-term goals are accomplished under one (1) year, mid-term goals are accomplished within one to five (1-5) years, and long-term goals generally take more than five (5) years to achieve.

Your goals		Target date	Total needed	Current savings	Additional savings needed	Pay periods until target date	Savings needed per pay period	Savings needed per month
Short-term goal (under 1 year)								
Mid-term goal (1-5 years)								
Long-term goals (over 5 years)								

Net Worth

In order to evaluate your progress as you work toward your goals, you must determine what your overall financial picture looks like today. Your net worth is simply the difference between what you own and what you owe. To make sure you are staying on track, it's a good idea to calculate your assets and liabilities annually. If you conscientiously follow your plan you should see a gradual, steady increase in your net worth.

What you own	Amount	What you owe	Amount
Checking/saving accounts		Mortgage	
Investment accounts		Credit cards	
Stocks & bonds		Student loan(s)	
IRA/401(k)		Auto loan(s)	
Home/real estate		Other loan(s)	
Automobile(s)		Income tax due	
Other asset(s)		Other debt(s)	
Total owned (a)		Total owed (b)	

To figure your net worth, subtract the total owned from the total owed:

Total owned (a)	Total owed (b)	Net worth
	-	=

Essential Expenses

Household expenses are categorized into essential and discretionary. Since many expenses are variable, such as utilities and groceries, it is important to average these expenses. Other expenses are periodic (such as insurance or vehicle registration). Again, calculate the annual amount and divide by 12.

Category	Expense	Average per month	Goal per month
Housing	Rent/mortgage		
	2nd mortgage/equity line		
	Homeowner's/renter's insurance		
	Condo fees/HOA dues		
	Home maintenance/monitored alarm		
	Lawn/garden/pool		
	Gas/electric		
	Water/sewer/garbage		
	Internet/cable/satellite/streaming		
	Landline/cell phone		
Food	Groceries/household items		
	At work/school		
Insurance (exclude payroll deducted amounts)	Health/dental/vision		
	Life/disability		
Medical care (exclude payroll deducted amounts)	Doctor/chiropractor		
	Optometrist/lenses		
	Dentist/orthodontist		
	Prescriptions		
Transportation (exclude payroll deducted amounts)	Vehicle payment #1		
	Vehicle payment #2		
	Auto insurance		
	Gasoline/oil		
	Maintenance/repairs		
	Public transportation/tolls/parking		
Child care (exclude payroll deducted amounts)	Daycare		
	Child support/alimony		
Miscellaneous	Banking fees		
	Union dues		
Income Taxes	Federal/state tax repayment		
	Estimated tax payments (self-employed)		
Savings	Emergency		
	Goals		
Total essential expenses			

Discretionary Expenses

Category	Expense	Average per month	Goal per month
Personal	Beauty/barber		
	Clothing/jewelry		
	Laundry		
	Cosmetics/Manicure		
	Fitness (gym/health club/yoga/pilates)		
Entertainment	Movies/Concerts/Theater		
	Books/magazines		
	CD/DVD		
	Dining Out		
	Sports/Hobbies		
	Vacation Travel		
	Other		
Miscellaneous	Tuition/Lessons		
	Pet Care		
	Postage		
	Holiday/Birthday/Gift		
	Cigarettes/Alcohol		
	Charity/Religious Contributions		
	Computer (software/subscriptions/ storage/backup)		
	Other		
	Other		
Total discretionary expenses			

Monthly Income

Enter your gross and net (after taxes) income from all sources. For income received infrequently, such as bonuses or tax returns, calculate the annual income, then divide by 12 to find the monthly amount.

Source	Yours	Spouse/partner
Income Source/Employer		
Part-time Employer/Second Job		
Retirement/Pension		
Child Support/Alimony		
Social Security		
Food Stamps		
Unemployment Insurance		
Support from Family/Friends		
Rental Income		
Other Income (variable or periodic)		
Total monthly income		

Unsecured Debt

List all debts (except auto loans and mortgages) along with the name of the creditor, interest rate, total balance owed and the required minimum payment. This includes credit and charge cards, installment loans, personal loans and outstanding medical bills.

Creditor name	Interest rate	Monthly payment	Balance
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

Bottom Line

Once you have determined the total of your take-home pay and expenses, you are ready to determine your bottom line. Subtract the total of all expenses including debt payments from your net income. If the result is a positive number, you can add the extra money to your savings to reach your goals sooner. If your expenses exceed your income, you'll need to make some adjustments to bring your finances back into balance.

Monthly net income	Total essential expenses	Total discretionary expenses	Total debt payment	Balance
	—	—	—	=

Tracking Day-to-Day Expenses

If you don't know where your money is going, it's time to start tracking your spending. Different methods of tracking work for different people – some like to save receipts or jot down all purchases in a small notebook they carry with them and others prefer to use a budgeting app. Remember, tracking is only effective if you count every expense, including the morning newspaper and the 75 cents you put in the office vending machine. Use the sheets on the next two pages to record weekly and monthly spending totals. (We suggest you make copies of the charts so that you can track for longer than one week.)

Monthly Expenses

Item	Week 1	Week 2	Week 3	Week 4	Week 5	Total expenses	Monthly budget	Over/under
Savings								
Groceries								
Restaurants								
Laundry/ dry cleaning								
Medical/ dental								
Auto/gas/ parking								
Other transportation								
Child care								
Personal care								
Clothing								
Bank fees/ postage								
Entertainment								
Books/music/ video								
Cigarettes/ alcohol								
Gifts/cards								
Home/garden								
Church/charity contributions								
Other								
Other								
Other								
Other								
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Other								
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Other								
Monthly expense totals								

Notes

Recommended Budget Guidelines

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 three to six (3-6) months' income in an emergency fund before you start saving for other goals.

Transportation

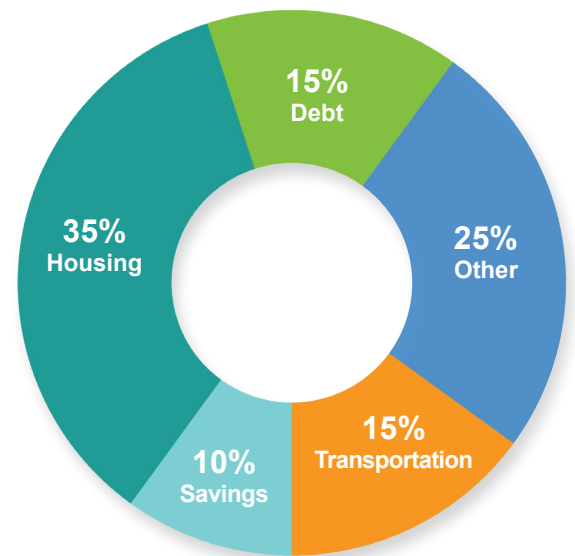
Spend no more than 15% of net income on transportation. That includes: car payment, auto insurance, tag or license, maintenance, gasoline, and parking.

Debt

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

Other

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



Adjust Your Plan

If the amount you are now saving falls short of the amount you need to save to reach your goals, here are some questions to ask yourself:

- Are you paying yourself first by putting away at least 10 percent of your after-tax income?
- Could you increase the amount you're saving by earning more or spending less?
- Did you set reasonable, achievable goals?
- Could you delay the target date of any of your goals?

You should reevaluate your spending and savings plan annually, or whenever there is a big change in your financial wants and needs. Remember that a budget is simply a priority list – by following it you are ensuring that your money is used to acquire the things, or reach the goals, that are most important to you.





BALANCE is a financial education and counseling service. Services include money management counseling, debt repayment options, credit report review, and more.

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