

Workbook – Section 8 Creating My Own Budget

Now that you've established some goals, the next step is to look at your expenses. The best way to see where your money is going is to develop a budget that tracks what income is coming into your household and how much is going out.

Your Weekly Expenses Worksheet

Invest in a pocket notebook that can fit into your purse or wallet. Take it with you everywhere you go. When you pay for something, record the name of the item or items and how much it costs. Also, keep the receipts of all your transactions so you can verify the amounts later on if you have any questions. Fill the amounts in on your monthly budget under flexible expenses. This will give you an idea of how much money you're spending on things you want and things you need.

Weekly Expenses that Change - Needs and Wants Worksheet			
Needs	Cost	Wants	Cost
Sample: Food	\$10.00	Movie Tickets	\$7.00
Total Cost of Needs:		Total Cost of Wants:	

How to Make Your Budget

Creating a budget will help you to organize and get a clear picture of your finances. By answering the following questions and filling in the following worksheets, you'll be better able to make wise financial decisions. There are a number of steps in creating your budget. Here's how. (Leave blank any items that do not apply to you.)

1. Determine your monthly income.
2. List monthly expenses that are about the same every month.
3. List expenses that you pay once or twice a year.
4. List your expenses that change every month.
5. Compare your income with your expenses.

Estimated Monthly Income (Your income may be different each month so make your best guess)

Part-Time/Full-Time Job	\$
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Odd Jobs/Freelance Work	\$
Entitlement Checks (SSI/SSDI)	\$
Retirement Check	\$
Food Stamps	\$
Child Support Payments	\$
Other	\$
Total Current Income	\$

Expenses Paid Every Month that Stay the Same:

Rent/Mortgage	\$
Heat	\$
Internet/Cable	\$
Electric	\$
Telephone	\$
Car Payment	\$
Gas/Public Transportation	\$
Health Insurance	\$
Credit Card (monthly minimum)	\$
Child Care (Support/Expenses)	\$
Other Debts with Monthly Payments	\$
Same Monthly Expenses Sub-Total	\$

Expenses You Pay Once or Twice a Year: Get a calculator. For bills that are paid once a year, divide the total cost by 12. For bills paid once every 6 months, divide the total cost by 6. This is the amount you should put away in a savings account every month.

Home/Renter's Insurance	\$
Car Insurance	\$

Car Licenses, plates, registration	\$
Car Repairs/Maintenance	\$
Other	\$
Once or Twice Yearly Expenses Sub-Total	\$

Expenses that Change Every Month: Use your weekly worksheet and record the amounts here.

Food/Groceries	\$
Work/Clubhouse Expenses (lunches/snacks)	\$
Doctor/Prescription Co-Pays	\$
Birthdays/Holidays	\$
Tobacco	\$
Entertainment (Movies, Sporting Events, Concerts)	\$
Other	\$
Changing Monthly Expenses Sub-Total	\$

Summary Total Expenses

Same Monthly Expenses Total	\$
Once or Twice Yearly Expenses	+ \$
Changing Monthly Expenses	+ \$
Total Monthly Expenses	= \$

Totals

Total Current Income	\$
Minus Total Monthly Expenses	- \$
Amount Left Over for Savings and Investments	= \$

Your Goals and Budget

Now that you've established goals and know about your finances, you can think about how to save to meet those goals.