

## CREATING A BUDGET

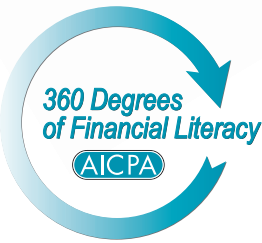
Does it ever seem like your money just disappears? Putting together a simple budget—combined with diligent expense tracking—will show you exactly where your money is going.

A budget is a plan for coordinating income and expenses. There is no average budget to follow—your budget is unique to your financial situation. The type of budget that will work for you depends on the savings and spending priorities you set.

- Enter your net income or take-home monthly income.

- Next, enter your fixed expenses, such as car payments and rent.
- Now, enter your flexible expenses, using figures you gathered from a typical month, such as your phone bill or electricity bill.
- Now, enter your discretionary expenses, such as clothing and entertainment.
- Then, enter the amount you put into savings. This is also a discretionary expense.
- Now total all of your expenses and your savings and subtract this total from your net income. If you have money left over, you may want to use it to increase your savings. ➔

CATEGORY	MONTHLY BUDGET AMOUNT	MONTHLY ACTUAL AMOUNT	DIFFERENCE
<b>INCOME</b>			
Salary/Wages Job 1 (after taxes and other deductions)			
Salary/Wages Job 2 (after taxes and other deductions)			
Interest/Dividends			
Other Income			
<b>INCOME SUBTOTAL</b>			
<b>FIXED EXPENSES</b>			
Housing (Rent)			
Telephone			
Water/Garbage			
Health Insurance			
Car Payment			
Car Insurance			
Debt Payments (credit cards, loans)			
Other Fixed Expenses			
<b>FLEXIBLE EXPENSES</b>			
Groceries			
Transportation (gas, repairs, tolls, bus, etc.)			
Medical/Dental			
Utilities (heat, electricity)			
Education			
Personal/Family services (laundry, toiletries, haircuts, etc.)			
Long Distance Telephone			
Cable TV			
Other Flexible Expenses			



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CATEGORY	MONTHLY BUDGET AMOUNT	MONTHLY ACTUAL AMOUNT	DIFFERENCE
DISCRETIONARY EXPENSES			
Savings			
Dining Out			
Clothes			
Furniture			
Gifts			
Entertainment/Recreation/Vacation			
Books/Magazines/Newspapers			
Charity			
Other Discretionary Expenses			
EXPENSES SUBTOTAL			
NET INCOME (income less expenses)			

