









BUDGETING FOR THE FAMILY:

A fundamental requirement for debt-free living is that the family prepare, live by and frequently update a family budget. Here are some of the reasons why:

-  Identifying the sources of spending is required before controls can be implemented.
-  Writing down a structure provides a foundation for the formulation of action plans.
-  Action plans tend to incorporate goals which are essential for future progress.
-  Agreeing on a budget together removes a prevalent cause of family discord.
-  Removing the unknown also removes a source of fear from the family environment.
-  Long-term financial planning cannot occur until a short-term plan is implemented.

Members of the family can be held accountable for individual financial performance.

A family budget should usually be relatively simple so that its administration is easily accomplished. It should be considered as a guideline and never as rigid law that family members must adhere to "to the letter" to avoid the consequences of gruff authoritarianism. The family financial authority should be flexible providing encouragement for all the members to work together for the same financial goals. And the family budget should be considered of the highest priority for the ongoing welfare of the family unit.

Don't forget to allow in your monthly budget for those expense outlays you make less frequently during the year (you need to save up for them).

If you need more help, you can obtain more complete guidelines for family budgeting by purchasing our publication, "Budgeting Guidelines: How To Prepare And Use A Family Budget" by clicking into the Self Help Publications section of our website (<http://www.creditcounseling.net/self-help-publications.html>).

The percentages shown are approximate targets based on national averages and expressed as percents of Net Spendable Income.



FAMILY BUDGET

Monthly:

Income

Gross Salary #1 Doctor Visits

Gross Salary #2 Dentist

Net Income #1

Net Income #2 **Total Medical**

Take Home Pay

Pension/SS/Unemployment
Debts

Rental/Other Investments Child

Child Support/Alimony Back

Second Job/Other Income

Total Available Income

Tithes/Offerings to Church

Net Spendable Income

6) Medical (4%)

Medications/Vitamins

Eye Care/Other

(4%)7) Legally Required Pmts/Loans-**

Support / Alimony

Taxes to IRS

Student Loans

Secured Debts / Other Loans

Other Legal

Total Legal/Loans-Debts



Total Available Income subtract Tithes and Offering

Mortgage / Rent		<input type="text"/>	Purchases/Uniforms	<input type="text"/>
Second Mortgage	Dry	<input type="text"/>	Cleaning/Laundry	<input type="text"/>
Association Fees	Total	<input type="text"/>	Clothing	<input type="text"/>
Insurance		<input type="text"/>		
Property Taxes	9) Other	<input type="text"/>	Flexible (5%)	
Lawn/Pool	Child	<input type="text"/>	Care/Private School	<input type="text"/>
Security System	College	<input type="text"/>	Plan	<input type="text"/>
		<input type="text"/>		<input type="text"/>
Essential Living Expenses			Flexible Living Expenses	
1) Housing (30%)			8) Clothing (4%)	
Pest Control			Toiletries/Cosmetics	<input type="text"/>
Maintenance/Repairs			Barber/Beauty Salon	
Total Housing			Charitable Contributions	
			Total Other Flexible	
2) Utilities (6%)				
Electricity	Optional Living	<input type="text"/>	Expenses (10%)	
Telephone	Fitness	<input type="text"/>	Club/Recreation	<input type="text"/>
Water/Sewage/Garbage		<input type="text"/>	Entertainment/Eating Out	<input type="text"/>



Gas/Heating

Total Utilities

**3) Household Food and Supplies
(12%)**

Groceries & Cleaning Sup

Lunches (work/school)

Total Food /Household

4) Transportation (15%)

Auto Payment #1

Auto Payment #2

Auto Insurance

Gasoline/Tolls/Parking

Repairs/Oil Changes

Tags/Registration

Transit Fares

Total Transportation

**5) Insurance (5%) * do not record if in
payroll**

Medical

Life

Other

Total Insurance

Cable TV

Internet

Cell Phone/Pager

Gifts

Vacation

Pet Care

Allowances

Subscriptions

Tobacco

Other Miscellaneous

Total Optional

Total Living Expenses

Surplus Cash Flow:(5%)

(Savings, Investments, or Unsecured Debts)

Note: Foregoing percentages are based on national averages and are relative to Net Spendable Income. If insurance is part of payroll, do not add in Total Expenses.



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**If this category does not apply, it is recommended the 4% allocation be added to surplus cash for savings.

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