










### **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.**



## MONTHLY FAMILY BUDGET

### INCOME

#### Husband

Gross Wages

Net Wages

1099 Earnings

Rental/Other Investments

Alimony/Child Support

Pension/Social Security

Unemployment/Other

#### Wife

Gross Wages

Net Wages

1099 Earnings

Rental/Other Investments

Alimony/Child Support

Pension/Social Security

Unemployment/Other

### EXPENSES

Tithe/Donation

Rent (including storage)

Mortgage

2nd Mtg/Equity Loan

Property Taxes

Property Insurance

Home Maint/Condo Fees

Electricity/Gas

Water/Sewer/Garbage

Hotel/Vacation Lodging

Groceries

Lunches

Home Phone/Cell Phone

Internet

Ticket/Fare/Travel

Clothing Purchases

Health Insurance

Doctor/Dentist Visits

Prescriptions/Vitamins

School Tuition

Books/Miscellaneous

Child Care

Entertainment/Dining

Health Club/Hobbies

Subscriptions

Tobacco Products

Presents and Gifts

Dry Cleaning/Laundry



TV/Cable Services	<input type="text"/>	Hair Cuts/Personal Care	<input type="text"/>
Car Payment (1)	<input type="text"/>	Pet Care	<input type="text"/>
Car Payment (2)	<input type="text"/>	Alimony/Child Support	<input type="text"/>
Gasoline/Tolls	<input type="text"/>	Life Insurance	<input type="text"/>
Auto Insurance	<input type="text"/>	Savings/Investments	<input type="text"/>
Repairs/Oil Changes	<input type="text"/>	Miscellaneous/Other	<input type="text"/>

- **Property Taxes and Homeowners Insurance should not be itemized if the mortgage payment includes the related escrows. If the mortgage payment does not cover taxes and insurance, those costs must be itemized where provided by dividing the annual total by 12 to equal a monthly allocation.**
- **Items such as car repairs, vacations, clothing and gift expenses can be calculated by dividing the annual total by 12 to equal a monthly allocation.**

**TOTAL COMBINED INCOME =**

**TOTAL EXPENSES =**

**AVAILABLE SURPLUS TO PAY DEBT =**