

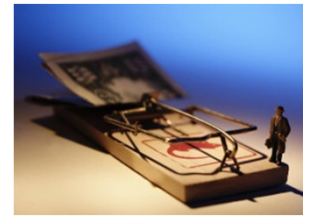
MY MONEY



EARN IT. KEEP IT. SAVE IT.

Provided by the Tennessee Alliance for Financial Independence, United Way of Metropolitan Nashville

EARN IT. KEEP IT. SAVE IT.



While money doesn't grow on trees, *My Money Tree: Earn it. Keep it. Save it*, is YOUR financial plan that includes information on ways to earn more, keep more and to save more of your hard earned money. Even those living on very fixed incomes can find ways to save a little for emergencies and big purchases.

This guide was written with you in mind. All the suggestions will not apply to every individual, but there are tips and ideas that every income level can use to increase their financial stability. This guide is sponsored by the Tennessee Alliance for Financial Independence, the United Way of Metropolitan Nashville and funded in part by the Tennessee Department of Human Services. Permission to download and co-brand is granted.



For additional information: Tennessee Alliance for Financial Independence, 250 Venture Circle, Nashville, TN 37228 615-780-2428. www.tnafi.org or www.mymoneytn.org

EARN IT.



KEEP IT.



SAVE IT.



PERSONAL PLANNING

Section One

To download all six sections of the *My Money Tree* publication, visit the resource page of the www.tnafi.org/resources and download *My Money*

Tree



BUDGETING

It's REALLY not that bad!



\$ WHAT IS IT?

- A budget is simply a financial plan. It is a plan of how you will use your income to pay your bills, save for emergencies and retirement and have a little fun.

\$ HOW DO I MAKE ONE?

- There are many ways to do a budget and keep track of your expenses. You can keep track of everything in a little notebook, use a web-based site such as www.mint.org or keep it in envelopes.

\$ WHAT'S THE POINT?

- Setting goals and creating a plan on how to spend your paychecks will help you track your spending and make wise decisions about your money. Without a plan, your money manages you.



In creating your budget, you will need to recognize the difference between a “*want*” and a “*need*”. Food, Shelter and Electricity are needs. Cable TV, cigarettes, and new furniture are examples of wants. Don’t let spending on the “wants” destroy your finances.



Personal Budget Planning Sheet

Take the steps to create your budget and start saving!

Step 5—Know when to make changes. If your net-net pay is negative or smaller than you think it should be, start thinking about what expenses you can cut. Ready to get started?

Step 4—Know your net-net pay. Take your net pay and subtract all of your monthly expenses. The cash available after all of these expenses is the amount truly available for debt payments. What is your net-net pay?

Step 3—Know your due date. Determine the due dates for all of your bills. If paid more than twice a month, decide which bills will be paid out of which check to ensure timely payment. Do you know when your bills are due?

Step 2—Know your net pay. Most people, including lenders, look at gross pay to determine the ability to reach financial goals. However, the amount of your paycheck is for net pay, which is often less. Take a look to determine what is your net pay.

Step 1—Know your goals. Are you saving for an emergency fund, debt pay down or a house? Determine how much you need and create a budget to help you get there.

Now, track how much money is coming in and going out each month		
Take Home Pay (Enter Net Pay from all pay stubs for the month)		A. \$
Expenses	Due Date	Amount
1. Rent/Mortgage		1.
2. Second Mortgage/Home Equity Loan		2.
3. Home Insurance		3.
4. Property taxes		4.
5. Electric/Gas		5.
6. Water		6.
7. Garbage Collection		7.
8. Telephone/Internet		8.
9. Cable		9.
10. Cell Phone		10.
11. Car Lease/Loan		11.
12. Car Insurance		12.
13. Gas		13.
14. Credit Card Payments		14.
15. Store Credit Card Payments		15.
16. Personal Loan Payments		16.
17. Medical Expenses (Co-pays, prescriptions, etc.)		17.
18. Personal Insurance (life, disability)		18.
19. Family Care (child support/alimony, childcare/eldercare)		19.
20. Groceries		20.
21. Eating out for lunch or dinner		21.
22. Entertainment		22.
23. Barber/Beauty Expenses		23.
24. Pet Expenses		24.
25. Other Personal Expenses		25.
Total Expenses (Add lines 1-25)		B.
Net-Net Pay (Take Home Pay (Box A) minus Total Expenses (Box B))		C.

Household Family Budget Worksheet

by BudgetWorksheets.org

Monthly Expense	Budget	Actual	Monthly Expense	Budget	Actual
Deductions			Personal & Health		
Savings or Money to Invest	\$	\$	Clothing	\$	\$
Child Support	\$	\$	Toiletries, etc	\$	\$
Other:	\$	\$	Haircuts	\$	\$
Housing			Gym & Club Dues	\$	\$
Rent, Mortgage	\$	\$	Health and Life Insurance	\$	\$
Utilities	\$	\$	Doctor, Dentist, Optometrist Visits	\$	\$
Home Insurance & Taxes	\$	\$	Prescription & OTC Drugs	\$	\$
Electric Bill	\$	\$	Other:	\$	\$
Other:	\$	\$	Entertainment		
Debt Payment			Tickets for Shows & Games	\$	\$
Credit Card Fees and Interest	\$	\$	Books, Magazines	\$	\$
Other Loans:	\$	\$	Movies, CDs, Video Games	\$	\$
Food			Other:	\$	\$
Groceries	\$	\$	Miscellaneous		
Restaurants	\$	\$	Charity, Gifts & Offerings	\$	\$
Snacks, Coffee, Bar Tab	\$	\$	Pet Supplies & Vet	\$	\$
Other:	\$	\$	Entertaining Guests	\$	\$
Transportation			Travel	\$	\$
Car Payment	\$	\$	Other:	\$	\$
Car Insurance	\$	\$		\$	\$
Car Maintenance	\$	\$		\$	\$
Gas	\$	\$		\$	\$
Bus, Train, Parking, Tolls	\$	\$		\$	\$
Other:	\$	\$		\$	\$
Family				\$	\$
Day Care & Babysitting	\$	\$		\$	\$
Activities & Classes	\$	\$		\$	\$
Other:	\$	\$		\$	\$
Education				\$	\$
Tuition	\$	\$	Summary Calculation		
Books & Fees	\$	\$	Monthly Net Income	\$	\$
Supplies	\$	\$	- Expenses Total	\$	\$
Other:	\$	\$	= Monthly Spendable Income	\$	\$

NOTES:

Adjust this sample budget to fit your Monthly expenses. The Budget column is what you think you will pay for that monthly expense item. For example, if you think you spend \$100 per week at the Grocery store, then put \$400 in the budget column next to Groceries. If at the end of the month you discovered that you spent \$350 at the grocery store but went out to eat and spent \$50, then for the next month, you may want to lower what you are spending at the grocery store and increase your budget amount in the Restaurant line. At the end of the month compare your budget column to the actual column and adjust where needed. Ideally, all expenses should be in an assigned category. If you subtract your expenses from your take-home net pay and have money left over then you might want to either adjust your categories or increase your savings or debt reduction.

TYPICAL BUDGET PERCENTAGES

The percentages below provide a general range. Actual situations will vary from family to family. Note these numbers are take-home pay, after taxes.

HOUSING	This expense should include mortgage, house insurance, gas, electricity, maintenance, and phone	36%
Food	This expense includes basic groceries. Do NOT include eating out in this category	12%
Auto	This expense includes auto payment, insurance, maintenance and replacement	12%
Insurance	Life, Health, etc.	5%
Debt	This category, if needed should not be overlooked. Getting debt eliminated is a very important goal of any budget	5%
Entertainment/ Recreation	Eating-out, vacations, and activities should be included	6%
Clothing	Do not overlook this category. Many persons do not budget for this but the minimum amount should be at least \$10 a month for each family member.	5%
Savings	Regardless of the amount, a regular savings plan is crucial. Even if it is only \$5 or \$10 per month.	5%
Medical/Dental	Dentist/Physician	4%
School/Child Care	Tuition, daycare and related expenses etc. If you have this expense, the percentage shown must be deducted from other budget categories.	6%
Tithes/Charities	This category is generally for gifts to Houses of Worship and/or other charitable organizations. The percentages shown must be deducted from other budget categories.	10%
Investments	Stocks, bonds, mutual funds and other	5%
Miscellaneous	This category is generally for items that do not fit any other category. This category can be the most dangerous as far as budget busting if not kept under control.	5%

MY MONEY TREE is a publication of the
Tennessee Alliance for Financial Independence
partners and these partnering agencies:



Place Your Logo Here

For additional information: Tennessee Alliance for Financial Independence, 250 Venture Circle, Nashville, TN 37228 615-780-2428. www.tnafi.org or www.mymoneytn.org