



# TOP 5 TIPS

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## Assess Your Current Situation

### Monthly Income

#### Capture All Sources of Income:

- Second or part time jobs
- Bonuses
- Commissions
- Piece rate, shift increases, holiday pay
- Government assistance
- Pensions, retirement, Social Security
- Interest income from investments
- Financial aid

Do the Math  $A - B = C$

Monthly income (A) – Monthly expenses (B)  
= Amount remaining (C)

If the amount is positive, let's discuss how to use excess funds each month.

If the amount is negative, let's figure out how to get you in balance!

### Gross Income

Total amount of money earned during a pay period

Salary or hourly wage multiplied by hours worked

subtract

### Payroll Deductions\*

- Federal & State Tax
  - Social Security
  - Retirement
  - Insurance (Health/Life)
- \*dependent on individual

equals

### Net Income

Final amount on paycheck

### Monthly Expenses

- Write down everything you spend in a notebook for one week, include cash and debit, credit, and gift card purchases (multiply by 4 to get monthly expense)
- Pull up your bank statement and list out every payment/purchase made.
- Add annual expenses you may have missed – ex. school expenses, extracurricular activities, membership dues/fees, insurance, car registration, gifts (birthdays/weddings), etc.
- Calculate your total average expenses per month:
  - Annual payments = Divide total by 12
  - Semi-Annual payments = Total the two and divide by 12
  - Quarterly payments = Total the four and divide by 12

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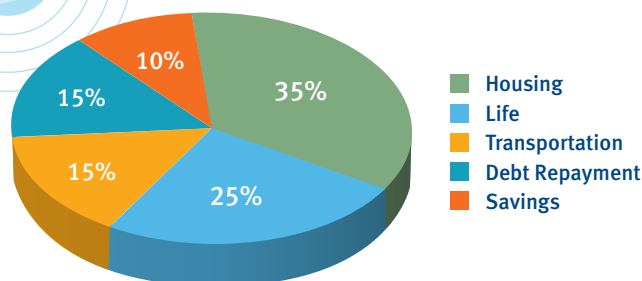
## Categorize Your Spending

- Determine which categories make sense for your family's spending.
- Place all of your spending into the appropriate categories.
- Calculate the percentage for each category (expense/net monthly income). See if you are close to the suggested percentage:

	\$350.00	\$525.00	\$700.00	\$875.00	\$1,050.00	\$1,400.00
	\$250.00	\$375.00	\$500.00	\$625.00	\$750.00	\$1,000.00
	\$150.00	\$225.00	\$300.00	\$375.00	\$450.00	\$600.00
	\$150.00	\$225.00	\$300.00	\$375.00	\$450.00	\$600.00
	\$100.00	\$150.00	\$200.00	\$250.00	\$300.00	\$400.00

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# Analyze the Results



## Q & A:

Look at the pie chart and categorize the following expenses:

- Taking an Uber™
- Cell phone bill
- New clothing
- Fixing broken water heater
- Unexpected medical bill
- Car payment
- Personal loan payment or credit card payments
- Birthday gifts

- Review the results. What category stands out?
  - Focus on that category.
  - Really analyze this category and check each expense:
    - Is it necessary? Review needs vs. wants.
    - If it's not necessary, can I remove it or cut back on the expense?

*Example: I have a monthly gym membership that is not being used. Do I need it or get rid of it?*

  - If it's necessary, can I reduce the expense?
  - Examples: My promotion expires with the cable company. Can I get a new rate?*  
*I need to have insurance on auto/home. Can I get a discount or better premium?*
- Remember, it's your money and your life. You are in control of your budget and spending.

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# Make Your Plan and Commit to it!

- Create a plan that works for you and your family to reach your goals.
- Set realistic goals and focus on things that are important to you.
- Stay on course by continuing to track your spending.
- Record your progress.
- If you get off track from your original plan, refocus and start again.
- Connect with your family and discuss your plan and progress.
- Discuss what has improved and review what needs to be changed.

**"People don't plan to fail, they fail to plan."  
Let's start creating your plan today!**

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# Review Your Plan *Every Season*



- Mark your calendar for the 1st day of Winter, Spring, Summer and Fall to review your plan.
- Schedule these dates with your personal banker - if you don't have one, get one!
- Be prepared for your Financial Check Up.
- Bring questions and gauge your progress.
- Make changes based on your current situation.
- Invite your family members to join in the sessions.
- Work together to reach your goals.

**Celebrate each success!**