Steps to Create Monthly Budget

Step 1:
Identify Monthly Income (after-taxes).

Enter your estimated monthly take-home pay in the **"Total Monthly Income - Budgeted"** box. This is the amount you think you will have for the month to pay for your living expenses, debt responsibilities, and any other necessities to achieve your financial goals.

Step 2:
Identify Monthly Expenses.

Within each main category, such as Charity, there are subcategories, like donations. Start at the top and work your way down, filling out the **"Budgeted"** column first. Input the budgeted total for each subcategory into the **"Budgeted"** column. The totals will calculate automatically.

Recommended percentages are provided, and indicated with an asterisk (*). These percentages are recommended by experienced financial experts based on market research. If you find that you spend more in one category than we recommend, consider adjusting your lifestyle in that area to enjoy more freedom and flexibility across the board. These are only suggestions, though. For example, if you have a higher income, your percentage for things like food will be lower.

Step 3:
Subtract Your Total Monthly Expenses from Your Total Monthly Income and determine any required changes.

If you have more expenses than you have income, you will need to increase your income or cut your monthly expenses. Remember the goal is to equal zero (Income – Expenses = $0). Give every cent and dollar a job so you can have success with achieving your financial goal.

Step 4:
Track what actually happened for the month.

When the month ends, put what you actually received in the **"Total Monthly Income - Received"** box. Also, put what you actually spent in the **"Spent"** column for each category.

How did you do on your budget vs. spent categories for the month? Are there any necessary adjustments you need to make to the next month's budget?

Budgeting is a process that gets better and easier with time. Small tweaks may need to happen, but it will get better each month so that you can spend your money and your life more wisely.

To use the online budget tool go to:
http://www.spendlifewisely.com/tools/simple-budget

Budget

Total Monthly Income *(after taxes)*	$

CHARITY	Budgeted	Spent	Difference +/-
Tithes			
Donations			
Other			
*10-15%	$ TOTAL	$ TOTAL	$ TOTAL

SAVINGS	Budgeted	Spent	Difference +/-
Emergency Fund			
Retirement Fund			
Other			
*10-15%	$ TOTAL	$ TOTAL	$ TOTAL

HOUSING	Budgeted	Spent	Difference +/-
Mortgage/Rent			
Real Estate Taxes			
Insurance			
Other			
*25-35%	$ TOTAL	$ TOTAL	$ TOTAL

UTILITIES**	Budgeted	Spent	Difference +/-
Electricity/Gas			
Water/Sewer			
Trash			
Phone			
Internet			
Cable/Satellite			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

FOOD**	Budgeted	Spent	Difference +/-
Groceries			
Restaurants			
Other			
*5-15%	$ TOTAL	$ TOTAL	$ TOTAL

TRANSPORTATION	Budgeted	Spent	Difference +/-
Car Payment 1			
Car Payment 2			
Fuel			
Insurance			
Other			
*10-15%	$ TOTAL	$ TOTAL	$ TOTAL

MEDICAL	Budgeted	Spent	Difference +/-
Prescriptions			
Insurance			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

PERSONAL**	Budgeted	Spent	Difference +/-
Child Care			
Clothing			
Pocket Money			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

RECREATION**	Budgeted	Spent	Difference +/-
Date Night			
Vacation			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

DEBTS	Budgeted	Spent	Difference +/-
Credit Card 1			
Credit Card 2			
Credit Card 3			
Student Loan 1			
Student Loan 2			
Student Loan 3			
Personal Loan			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

MISCELLANEOUS**	Budgeted	Spent	Difference +/-
Children's Allowance			
Pet Care/Supplies			
Other			
*5-10%	$ TOTAL	$ TOTAL	$ TOTAL

	BUDGETED	ACTUAL	DIFFERENCE
Total Monthly Income (after taxes)		INPUT TOTAL RECEIVED	
Total Monthly Expenses			
Income (-) Expenses			
	Goal is $0	What really occurred this month	Over Budget (-) Under Budget (+)

*Recommended category percentage.
**Categories to consider cutting back on when over-budget.