

Developing a Personal Budget

Sample monthly budget handout

Income (money coming in)		Expenses (money going out)	
Salary (after taxes)	\$2,500	Fixed expenses	
		Rent	\$1,000
		Car payment	\$200
		Insurance	\$125
		Savings	\$100
		Variable expenses	
		Necessities	
		Electric bill	\$60
		Gas bill	\$95
		Groceries	\$200
		Gasoline for car	\$60
		Cell phone	\$95
		Clothing	\$50
		Emergencies	\$60
		Non-necessities	
		Cable TV and internet	\$95
		Video streaming service	\$10
		Music streaming service	\$10
		Entertainment	\$35
		Hair and/or nails	\$35
		Eating out	\$100
		Vacation fund	\$170
Total	\$2,500	Total	\$2,500

Developing a Personal Budget

Family backgrounds handout

The Bonatos

Steve and Frances Bonato have been married four years and recently became parents to Bella. Steve works as a junior landscape architect and has a salary of \$65,000. After taxes, that ends up being about \$4,000 a month of take-home pay. Frances has a part-time job at a bookstore, usually about 20 hours per week, which pays \$22.50/hour. Bella requires special care, due to a medical condition, and Steve and Frances have been thinking about hiring someone to help them. Steve and Frances are very philanthropic and make annual donations to at least five organizations. They also always seem to want (and usually get) the newest, most up-to-date electronics. They don't go out to eat very much, but they do like to travel now and then. Even though Bella is still very young, Steve and Frances are already thinking about saving for college.

The Nelsons

Luke and Liz Nelson recently divorced. Liz now has custody of the family's two children, Emma (age four) and Riley (age eight). The girls live with her during the week and every other weekend. Liz works full time as a graphic designer and earns an annual salary of \$44,995. Her take-home pay each month is \$3,007.72. As part of their divorce agreement, Luke pays Liz \$430 per month in child support to help with the cost of raising the children. Emma requires daycare throughout the year. Riley is in school and only needs care during the summer. For now, Liz is renting, but she wants to save money for a down payment on a home. She also drives an older car which frequently needs repairs.

Monique Alvarez

Monique recently completed a training program to become a certified nursing assistant. She was recently hired at a hospital 30 miles from her home, earning an hourly wage of \$12.75. She currently lives at home with her parents who are charging her \$150 per month for rent. She wants to see if she can afford to live on her own. She is debating getting a roommate. If she moves closer to her job, it should save her money in transportation costs.

David Fuller

David graduated from college two years ago owing \$26,000 for his student loans. Each month he pays \$280 to pay down his loans. He lives in an apartment and pays \$1,050 each month in rent. Utilities are extra. He bought a new vehicle with a monthly payment of \$450, too. His job as a market research analyst pays \$46,460 per year or \$3,081 per month in take-home pay. In his spare time, he enjoys eating out and taking trips to see friends. He's also been looking into adopting a dog.

Developing a Personal Budget

Cost of living index handout

	Metro Area	Cost of living index		Metro Area	Cost of living index
1	New, York, (Manhattan), NY	216.7	25	Middlesex-Monmouth, NJ	124.8
2	New, York, (Brooklyn), NY	181.7	26	Glenwood, Springs, CO	124.0
3	Honolulu, HI	165.7	27	Providence, RI	123.3
4	San Francisco, CA	164.0	28	New Haven, CT	122.1
5	New York, (Queens), NY	159.0	29	Hartford, CT	121.8
6	San Jose, CA	156.1	30	Palm Springs, CA	121.8
7	Stamford, CT	146.9	31	Seattle, WA	121.4
8	Truckee-Nevada, County, CA	146.9	32	Burlington-Chittenden, Co, VT	120.5
9	Orange County, CA	146.4	33	Dutchess County, NY	120.4
10	Nassau County, NY	145.7	34	Baltimore, MD	119.4
11	Washington-Arlington-Alexandria, DC-VA	140.1	35	Fresno, CA	117.3
12	Oakland, CA	139.1	36	Chicago, IL	116.9
13	Fairbanks, AK	137.4	37	Manchester, NH	116.8
14	Juneau, AK	136.5	38	Portland, ME	116.5
15	Los Angeles-Long Beach, CA	136.4	39	Sacramento, CA	116.2
16	Framingham-Natick, MA	134.5	40	Fort Lauderdale, FL	115.7
17	Boston, MA	132.5	41	Flagstaff, AZ	114.9
18	San Diego, CA	132.3	42	Hilton Head, Island, SC	114.1
19	Bergen-Passaic, NJ	131.3	43	Chapel Hill, NC	113.0
20	Bethesda-Gaithersburg-Frederick, MD	130.5	44	Bellingham, WA	113.0
21	Newark-Elizabeth, NJ	129.7	45	Riverside City, CA	112.5
22	Kodiak, AK	128.7	46	Glens Falls, NY	112.3
23	Anchorage, AK	128.4	47	Lake Havasu, City, AZ	111.8
24	Philadelphia, PA	126.5	48	Hampton Roads-SE, Virginia, VA	111.7

	Metro Area	Cost of living index		Metro Area	Cost of living index
49	Portland, OR	111.3	77	Milwaukee-Waukesha, WI	101.9
50	Everett, WA	111.3	78	Syracuse, NY	101.5
51	Minneapolis, MN	111.0	79	Sarasota, FL	101.5
52	Pittsfield, MA	110.6	80	Sheboygan, WI	101.4
53	St. Paul, MN	110.0	81	Yuma, AZ	101.2
54	Gunnison, CO	110.0	82	Asheville, NC	101.1
55	Eugene, OR	109.8	83	Reno-Sparks, NV	101.1
56	Los Alamos, NM	109.7	84	Cleveland, OH	101.0
57	Tacoma, WA	109.5	85	Williamsport-Lycoming, Co, PA	100.7
58	Albany, NY	108.1	86	Phoenix, AZ	100.7
59	Dare County, NC	107.3	87	Salt Lake, City, UT	100.6
60	Charlottesville, VA	107.0	88	Las Cruces, NM	100.6
61	Lancaster, PA	106.8	89	Morgantown, WV	100.6
62	Miami-Dade, County, FL	106.0	90	Cheyenne, WY	100.5
63	Wilmington, DE	105.2	91	Columbia, SC	100.4
64	Beaufort, SC	105.2	92	Akron OH	100.2
65	Richmond, VA	104.5	93	Plattsburgh, NY	100.1
66	Olympia, WA	104.1	94	Rochester, NY	100.0
67	Prescott-Prescott, Valley, AZ	103.7	95	Minot, ND	99.9
68	Bakersfield, CA	103.4	96	Gainesville, FL	99.8
69	Fitchburg-Leominster, MA	103.3	97	Dover, DE	99.7
70	Denver, CO	103.2	98	Harrisburg, PA	99.7
71	Ithaca, NY	102.8	99	Missoula, MT	99.4
72	Winchester, VA-WV	102.3	100	Panama, City, FL	99.4
73	Joliet-Will County, IL	102.2	101	Detroit, MI	99.4
74	York County, PA	102.1	102	Arlington, TX	99.3
75	Bozeman, MT	102.0	103	Montgomery, AL	99.2
76	Las Vegas, NV	101.9	104	Lafayette, LA	99.2

	Metro Area	Cost of living index		Metro Area	Cost of living index
105	Rochester, MN	99.2	132	Ames, IA	96.8
106	Auburn-Opelika, AL	98.9	133	Durham, NC	96.6
107	Kalispell, MT	98.8	134	Jacksonville, NC	96.5
108	Wilmington, NC	98.8	135	Wausau, WI	96.5
109	Greenville, NC	98.5	136	Tucson, AZ	96.5
110	Binghamton, NY	98.4	137	Little Rock-North Little, Rock, AR	96.5
111	St., Cloud, MN	98.3	138	Sumter, SC	96.3
112	Charleston-N, Charleston, SC	98.3	139	Peoria, IL	96.3
113	Grand Junction, CO	98.3	140	Tyler, TX	96.3
114	Raleigh, NC	98.2	141	Iowa City, IA	96.2
115	Lafayette, IN	98.2	142	Janesville, WI	96.2
116	Sierra Vista, AZ	97.9	143	Staunton-Augusta County, VA	96.2
117	Orlando, FL	97.8	144	Evansville, IN	96.2
118	Kansas City, MO-KS	97.8	145	Baton Rouge, LA	96.1
119	Lake Charles, LA	97.4	146	Roswell, NM	95.9
120	Camden, SC	97.4	147	Dubuque, IA	95.9
121	Plano, TX	97.4	148	Hammond, LA	95.9
122	Vero Beach-Indian, River, FL	97.4	149	St. George, UT	95.9
123	Boise, ID	97.2	150	Yakima, WA	95.8
124	Farmington, NM	97.0	151	Bradenton, FL	95.8
125	Harrisonburg, VA	97.0	152	Buffalo, NY	95.8
126	Laramie, WY	97.0	153	Beaumont, TX	95.7
127	Burlington, IA	97.0	154	San Antonio, TX	95.7
128	Slidell-St. Tammany, Parish, LA	97.0	155	Logan, UT	95.6
129	Jackson, MS	96.9	156	Cape Coral-Fort Myers, FL	95.6
130	Champaign-Urbana, IL	96.9	157	Atlanta, GA	95.6
131	Davenport-Moline-Rock Is, IA-IL	96.8	158	Quincy, IL	95.5

	Metro Area	Cost of living index		Metro Area	Cost of living index
159	Austin, TX	95.5	186	Elkhart-Goshen, IN	94.0
160	Troy-Miami County, OH	95.4	187	Hutchinson, KS	94.0
161	Carlsbad, NM	95.4	188	Spokane, WA	93.9
162	Bismarck-Mandan, ND	95.3	189	Lawton, OK	93.8
163	Shreveport-Bossier City, LA	95.3	190	Cincinnati, OH	93.8
164	Myrtle Beach, SC	95.2	191	Kinston, NC	93.8
165	Fayetteville, NC	95.2	192	Hot Springs, AR	93.8
166	Lynchburg, VA	95.1	193	Lexington-Buena Vista-Rockbridge, VA	93.7
167	Alexandria, LA	95.1	194	Eau Claire, WI	93.7
168	Green Bay, WI	95.1	195	Enid, OK	93.6
169	Rio Rancho, NM	95.1	196	Savannah, GA	93.5
170	Clarksburg, WV	95.0	197	Cleveland, TN	93.4
171	Blacksburg, VA	95.0	198	Hastings, NE	93.4
172	Manhattan, KS	95.0	199	Indiana County, PA	93.3
173	San Marcos, TX	94.8	200	Appleton, WI	93.3
174	Marietta, GA	94.8	201	Augusta-Aiken, GA-SC	93.2
175	Vancouver, WA	94.8	202	Charlotte, NC	93.2
176	Burlington, NC	94.6	203	Midland, TX	93.2
177	Lawrence, KS	94.6	204	Lima, OH	93.1
178	Tuscaloosa, AL	94.6	205	Clarksville, TN	93.0
179	Fort Wayne-Allen, County, IN	94.4	206	Mankato, MN	93.0
180	Norman, OK	94.4	207	Galesburg, IL	93.0
181	Findlay, OH	94.3	208	Jacksonville, FL	92.9
182	Marshfield, WI	94.2	209	Jefferson City, MO	92.9
183	Sioux Falls, SD	94.1	210	Hickory, NC	92.9
184	Valdosta, GA	94.1	211	Johnstown, PA	92.9
185	Roanoke, VA	94.1	212	Lexington, KY	92.8

	Metro Area	Cost of living index		Metro Area	Cost of living index
213	Colorado Springs, CO	92.8	240	Anderson, SC	91.8
214	Charleston, WV	92.7	241	Waterloo-Cedar Falls, IA	91.7
215	Mobile, AL	92.7	242	Oklahoma City, OK	91.7
216	Monroe, LA	92.7	243	Edmond, OK	91.6
217	Fargo-Moorhead, ND-MN	92.7	244	Pittsburgh, PA	91.5
218	Wooster, OH	92.6	245	Twin Falls, ID	91.5
219	Kennewick-Richland-Pasco, WA	92.6	246	Conroe, TX	91.4
220	Nacogdoches, TX	92.5	247	Dayton, OH	91.4
221	Tampa, FL	92.4	248	Decatur, IL	91.4
222	San, Angelo, TX	92.4	249	Weatherford, TX	91.4
223	Lufkin, TX	92.4	250	Anniston-Calhoun County, AL	91.2
224	Winston-Salem, NC	92.4	251	Huntsville, AL	91.2
225	Rockford, IL	92.4	252	Kalamazoo, MI	91.2
226	St. Joseph, MO	92.3	253	Chattanooga, TN	91.1
227	Pascagoula, MS	92.3	254	Fort Worth, TX	91.1
228	Houston, TX	92.2	255	Danville, IL	91.1
229	Erie, PA	92.1	256	Muncie, IN	91.0
230	Fayetteville, AR	92.1	257	Loveland, CO	91.0
231	Marion-McDowell County, NC	92.1	258	Odessa, TX	90.9
232	Cedar Rapids, IA	92.0	259	Des Moines, IA	90.9
233	Columbus, OH	92.0	260	Morristown, TN	90.9
234	South Bend, IN	91.9	261	Richmond, IN	90.8
235	Hattiesburg, MS	91.9	262	Birmingham, AL	90.8
236	Dallas, TX	91.9	263	Corpus Christi, TX	90.8
237	Wichita, KS	91.8	264	Bowling Green, KY	90.7
238	Columbia, MO	91.8	265	Grand Rapids, MI	90.7
239	Topeka, KS	91.8	266	Seguin, TX	90.7

	Metro Area	Cost of living index		Metro Area	Cost of living index
267	Idaho Falls, ID	90.6	295	Cedar City, UT	88.7
268	St. Louis, MO-IL	90.4	296	Douglas, GA	88.6
269	El Paso, TX	90.4	297	Dyersburg, TN	88.6
270	Youngstown-Warren, OH	90.4	298	Ashland, OH	88.5
271	Greenville, SC	90.3	299	Tulsa, OK	88.4
272	Florence, AL	90.2	300	Americus, GA	88.3
273	Jackson-Madison County, TN	90.2	301	Omaha, NE	88.3
274	Stillwater, OK	90.1	295	Cedar City, UT	88.7
275	Albany, GA	90.1	296	Douglas, GA	88.6
276	Ponca City, OK	90.0	297	Dyersburg, TN	88.6
277	Dothan, AL	89.8	298	Ashland, OH	88.5
278	Round Rock, TX	89.7	299	Tulsa, OK	88.4
279	Garden City, KS	89.7	300	Americus, GA	88.3
280	Martinsburg-Berkeley County, WV	89.6	301	Omaha, NE	88.3
281	Amarillo, TX	89.5	302	Memphis, TN	88.2
282	Knoxville, TN	89.4	303	Murfreesboro-Smyrna, TN	88.2
283	Hays, KS	89.4	304	Tupelo, MS	88.1
284	Brazoria County, TX	89.3	305	Springfield, MO	88.0
285	Dodge City, KS	89.3	306	Covington, KY	87.8
286	Decatur-Hartselle, AL	89.2	307	Louisville, KY	87.7
287	Thomasville-Lexington, NC	89.2	308	Temple, TX	87.4
288	Lubbock, TX	89.1	309	Ardmore, OK	87.3
289	Mason City, IA	89.1	310	Paducah, KY	87.3
290	Nashville-Franklin, TN	88.9	311	Indianapolis, IN	87.2
291	Waco, TX	88.9	312	Martinsville-Henry County, VA	87.1
292	Jonesboro, AR	88.9	313	Salina, KS	86.9
293	Paris, TX	88.9	314	Johnson City, TN	86.7
294	Joplin, MO	88.8	315	Conway, AR	86.6

	Metro Area	Cost of living index		Metro Area	Cost of living index
316	Wichita Falls, TX	86.5	321	Cookeville, TN	85.7
317	Fort Smith, AR	86.1	322	Pueblo, CO	85.6
318	Muskogee, OK	86.0	323	McAllen, TX	85.0
319	Brownsville, TX	85.8	324	Pryor Creek, OK	84.5
320	Springfield, IL	85.8	325	Harlingen, TX	82.8

Developing a Personal Budget

College budget worksheet handout

Category	Monthly budget	Monthly actual	Semester budget	Semester actual	School yr budget	School yr actual
Income:						
From jobs						
From parents						
From student loans						
From scholarships						
From financial aid						
Miscellaneous income						
Income subtotal						
Expenses:						
Savings						
Rent or room & board						
Utilities						
Telephone						
Groceries						
Car payment/ transportation						
Insurance						
Gasoline/oil						
Entertainment						
Eating out/vending						

Category	Monthly budget	Monthly actual	Semester budget	Semester actual	School yr budget	School yr actual
Tuition						
Books						
School fees						
Computer expense						
Miscellaneous expense						
Expenses subtotal						
Net income (income less expenses)						

If an expense is incurred more or less often than monthly, convert it to a monthly amount when calculating the monthly budget amount. For instance, auto insurance is often billed every six months. It would be converted to monthly expenses by dividing the six-month premium by six.

Developing a Personal Budget

Financial disaster preparedness file handout

The following information may be organized in a binder, file, or scanned and stored on a hard drive or cloud file service.

Identity documents

- Birth, death, marriage certificates
- Social Security cards
- Citizenship papers
- Divorce/separation papers
- Adoption papers, if applicable
- Military discharge papers, if applicable
- Passports
- Key identification numbers, including drivers' license, passport and employee identification data

Financial documents

- Checking/savings records
- Investment accounts
- Titles and deeds to real estate
- Timeshare agreements
- Stock/bond certificates
- Employee benefit documents
- Car title, lease, loan information and license plate data
- Boat ownership records
- Loan agreements
- Credit card information, including photocopies of credit and debit cards, front and back (displaying the individual's signature)
- Student loan information
- Personal/business lines of credit

Estate planning documents

- Wills
- Trust documents
- Durable power of attorney for health care
- Durable power of attorney for finance

Insurance documents

- Life insurance policies
- Health insurance policies
- Disability insurance policies
- Long-term care policies
- Homeowner's insurance policies
- Renter's insurance policies
- Auto insurance policies
- Dental insurance policies
- Umbrella insurance policies

Miscellaneous

- Employment contracts
- Business agreements
- Tax returns, for the past three years
- Safe combination
- All user IDs and passwords for online accounts, including access to computer
- Location of safe-deposit, lockbox and filing cabinet keys
- Detailed funeral and burial wishes
- Location of cash that may be used to handle emergency expenses
- Recent medical records that may be good to have on hand if the individual is incapacitated
- All relevant contact numbers for executors, financial advisers, trustees, guardians, attorneys and any other pertinent individuals
- Guidelines on what to do about orphaned pets, including set plans for who will adopt them and pay for their care

Developing a Personal Budget

Post-assessment

Section 1: Please select the correct answer for each of the following questions.

1. A budget typically includes
 - a. income and expenses.
 - b. interest and debt.
 - c. investment opportunities.
 - d. all of the above.
2. A fixed predictable expense
 - a. will change from month to month.
 - b. will change from year to year.
 - c. will not change from month to month.
 - d. cannot be budgeted.
3. An example of a variable expense is
 - a. a mortgage payment.
 - b. emergency medical expenses.
 - c. an insurance payment.
 - d. a car payment.
4. Your budget included a \$100 monthly deposit into a savings account for a car savings fund. You finally saved enough money and made a down payment on your first car. Going forward, you'll need to edit your budget to:
 - a. include the amount of the car as income in your budget.
 - b. include a fixed gas amount in your budgeted monthly expenses.
 - c. exclude the \$100 car savings fund expense.
 - d. include gas, car maintenance, car insurance, and a monthly car loan payment in your monthly expenses.
5. Why is it important to create a budget?
 - a. Helps people balance their savings and investments
 - b. Puts a person's financial information in one place
 - c. Assists people in reaching financial goals and avoiding debt
 - d. All of the above

Developing a Personal Budget

Section 2: Please choose the number on the scale that best indicates how strongly you agree or disagree with the following statements:

	Strongly disagree				Strongly agree
I understand the components of a budget.	1	2	3	4	5
I feel confident being able to develop a personal budget.	1	2	3	4	5
I am interested in learning more about managing my personal finances.	1	2	3	4	5

Section 3: Circle your grade level.

K 1 2 3 4 5 6 7 8 9 10 11 12