

What can you do if your spendable income suddenly drops?

1. Pay obligations first.

Insurance protection
Loan payments
Rent and Utilities

2. Cut Costs

Sacrifice your wants for your needs.

Waste Nothing!

Reduce Transportation Costs

Postpone optional spending

- New vehicles and vacation trips
- New clothes, luxuries, expensive gifts
- Costly entertainment and recreation
- Eating at restaurants
- Elective medical procedures

Consider eliminating some monthly bills, if possible

- Cable TV and video rentals
- Extra phone service or Internet service
- Newspaper and magazine subscriptions

Buy “used” instead of “new”

Shop at Thrift Stores like the Deseret Industries

3. Draw on Reserves

Make meals from your food storage

Draw on savings prudently

Consider selling some assets, such as extra vehicles,
recreational “toys,” and surplus property.

4. Improve Income

Get a better job

Spouse gets a temporary job

5. Don't go into more debt!

No credit card purchases

No consumer loans

Thrive How to ~~Survive~~ on Your Income



1. Calculate your spendable income
2. Make a basic spending plan
3. Don't spend more than you have
4. Pay off high interest debt first

Download this workbook from:

<http://www.southwickresearch.com/Ponderings/Budget.htm>

“Use it up, wear it out, make it do, or do with out,” advised our frugal ancestors.

CALCULATE YOUR BASIC SPENDABLE INCOME

Estimated Monthly Income:

(Gross income per month) _____

Subtract:

Payroll Tax 1 _____

Payroll Tax 2 _____

Payroll Tax 3 _____

Payroll Deduction 1 _____

Payroll Deduction 2 _____

Payroll Deduction 3 _____

Spendable Monthly Income: _____

(Net income per month)

Do not spend more than this amount ↑

“A saver grows rich by seeming poor.
A spender grows poor by seeming rich.”

<i>Financial Reserve Status:</i>	<u>Now</u>	<u>Goal</u>
6. <i>Emergency Fund</i> * (put & take)	_____	_____
18. <i>Savings</i> (long term goals)	_____	_____
13. <i>Investments</i> (wealth building)	_____	_____

*An emergency fund, of one month's income, gives flexibility to a budget. Three month's reserve can be a "safety net" to catch you during urgent and unexpected downfalls in life.

MAKE A BASIC SPENDING PLAN

(based on past monthly spending)

Spending Categories:

1. Allowances _____
2. Cleaning and Laundry _____
3. Clothing _____
4. Charitable Contributions _____
5. **Debt Payments** _____
6. *Emergency Fund* _____
7. Family Advancements (education) _____
8. Gifts _____
9. Groceries _____
10. Housing _____
11. Insurance (Auto and Home) _____
12. Insurance (Health & Life) _____
13. *Investments* _____
14. Maintenance and Improvements _____
15. Medical, Dental, Medication _____
16. Miscellaneous, Petty Cash _____
17. Recreation and Entertainment _____
18. *Savings* _____
19. Subscriptions _____
20. Taxes (property tax, etc.) _____
21. Transportation _____
22. Utilities _____
23. Vacation, Trips _____
24. _____
25. _____

Total Estimated Monthly Spending _____

Today's Date: _____

(“Spendable Monthly Income” should equal “Total Estimated Monthly Spending.”)