

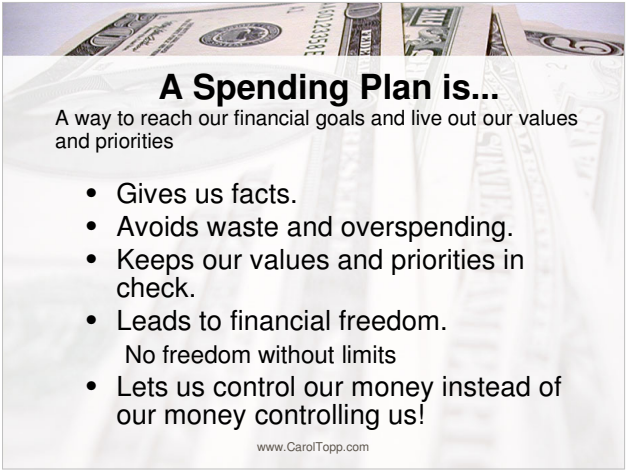


Budget is a Dirty Word

**Money management
for those who hate to manage money**

Presented by Carol Topp, CPA
www.CarolToppCPA.com

www.CarolTopp.com



A Spending Plan is...

A way to reach our financial goals and live out our values and priorities

- Gives us facts.
- Avoids waste and overspending.
- Keeps our values and priorities in check.
- Leads to financial freedom.
No freedom without limits
- Lets us control our money instead of our money controlling us!

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Spending Plan Order

Give. . . something first
Save. . . at least 10% for the future
Start with \$1,000
Debt. . . maximize repayment
Spending. . . planned beforehand

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Different Priorities

Most of us live like this:

Income - Spending = Give and Save

Instead we should live like this:

**Income – Give – Save – Debt Payment
= Spending**

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Benefits of Saving

- To meet future needs without debt
- Freedom from bondage
- To have more choices

Benefits of Giving:

- To bless others
- To break the power of money

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ENVELOPE SYSTEM



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SPENDING PLAN

EARNING/INCOME PER MONTH	TOTALS	B. INSURANCE (Paid by Year)	5%	\$
Salary #1 (net take-home)	_____	AUTO	_____	_____
Salary #2 (net take-home)	_____	HOMEOWNERS	_____	_____
Other (less taxes)	_____	LIFE	_____	_____
TOTAL MONTHLY INCOME	\$ _____	MEDICAL/DENTAL	_____	_____
		Other	_____	_____
% GUIDE				
1. GIVING	5%	7. HOUSEHOLD/PERSONAL	15-25%	\$
Church	_____	GROCERIES	_____	_____
OTHER CONTRIBUTIONS	_____	CLOTHES/DRY CLEANING	_____	_____
2. SAVINGS	5-10%	GIFTS	_____	_____
EMERGENCY	_____	HOUSEHOLD ITEMS	_____	_____
REPLACEMENT	_____	PERSONAL:	_____	_____
LONG TERM	_____	Liquor/Tobacco	_____	_____
3. DEBT	0-10%	Cosmetics	_____	_____
CREDIT CARDS:		Books/Magazines	_____	_____
VISA	_____	Alcohol	_____	_____
Master Card	_____	Music/Lessons	_____	_____
Discover	_____	Personal Technology	_____	_____
American Express	_____	Education	_____	_____
Gas Cards	_____	Miscellaneous	_____	_____
Department Stores	_____	OTHER	_____	_____
EDUCATION LOANS	_____	Books/Magazines	_____	_____
OTHER LOANS:		Alcohol	_____	_____
Auto Loans	_____	Music/Lessons	_____	_____
		Personal Technology	_____	_____
		Education	_____	_____
		Miscellaneous	_____	_____
		OTHER	_____	_____
		Books/Magazines	_____	_____
		Alcohol	_____	_____
		Music/Lessons	_____	_____
		Personal Technology	_____	_____
		Education	_____	_____
		Miscellaneous	_____	_____
		OTHER	_____	_____
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		Music/Lessons	_____	_____
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		Education	_____	_____
		Miscellaneous	_____	_____
		OTHER	_____	_____
		Books/Magazines	_____	_____



You are in trouble if...

- Miss a payment
- Have no savings
- At your credit limit
- Only able to make minimum payments
- Using a quick cash service
- Family fights over money
-

Call Consumer Credit Counselling Services
1-800-355-2227
www.cccservices.com

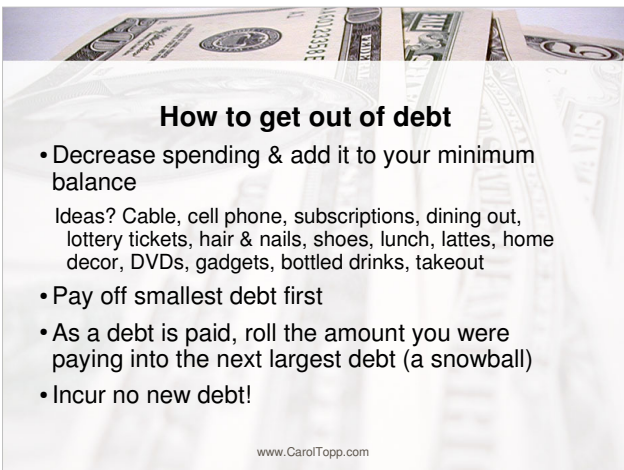
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What to do if the ends don't meet

- Don't get discouraged. Get encouragement
- Pray for wisdom and guidance
- Increase your income. Sell some assets.
- Reduce your expenses. Redo your Spending Plan.
- Borrow wisely
 - Avoid cash advances
 - Follow credit card rules

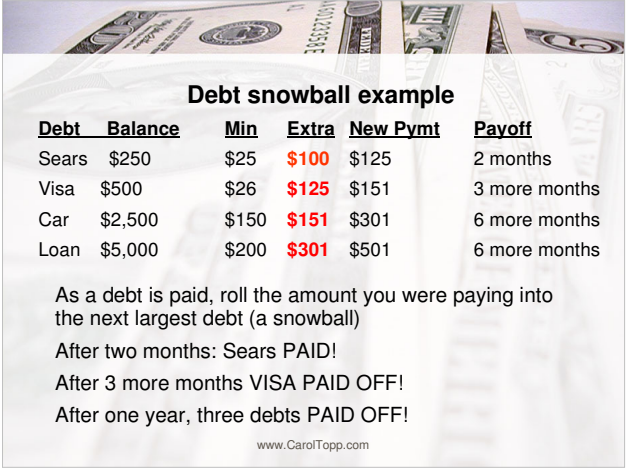
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How to get out of debt

- Decrease spending & add it to your minimum balance
 - Ideas? Cable, cell phone, subscriptions, dining out, lottery tickets, hair & nails, shoes, lunch, lattes, home decor, DVDs, gadgets, bottled drinks, takeout
- Pay off smallest debt first
- As a debt is paid, roll the amount you were paying into the next largest debt (a snowball)
- Incur no new debt!

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Debt snowball example

<u>Debt</u>	<u>Balance</u>	<u>Min</u>	<u>Extra</u>	<u>New Pymt</u>	<u>Payoff</u>
Sears	\$250	\$25	\$100	\$125	2 months
Visa	\$500	\$26	\$125	\$151	3 more months
Car	\$2,500	\$150	\$151	\$301	6 more months
Loan	\$5,000	\$200	\$301	\$501	6 more months

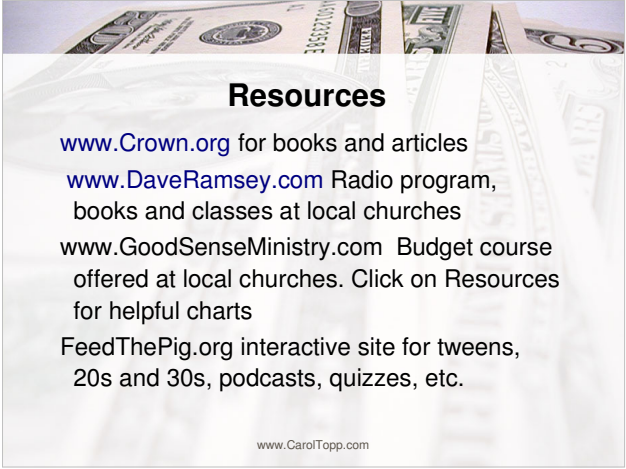
As a debt is paid, roll the amount you were paying into the next largest debt (a snowball)

After two months: Sears PAID!

After 3 more months VISA PAID OFF!

After one year, three debts PAID OFF!

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Resources

www.Crown.org for books and articles

www.DaveRamsey.com Radio program, books and classes at local churches

www.GoodSenseMinistry.com Budget course offered at local churches. Click on Resources for helpful charts

FeedThePig.org interactive site for tweens, 20s and 30s, podcasts, quizzes, etc.

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