

Budget Worksheet

Income	<u>Average</u>	Student Loans	\$ _____
	<u>Monthly Amount</u>	<u>Entertainment</u>	
Net pay (after taxes and other deductions)	\$ _____	Cable TV / Internet Access	\$ _____
Overtime/part-time/seasonal/commissions	\$ _____	Movies	\$ _____
Bonuses/tips	\$ _____	Sports	\$ _____
Dividends/interest earnings	\$ _____	<u>Transportation</u>	
Business or investment earnings	\$ _____	Auto Payment(s)	\$ _____
Pension/Social Security benefits	\$ _____	Auto Insurance	\$ _____
Veterans Administration benefits	\$ _____	Gas	\$ _____
Unemployment compensation	\$ _____	Tolls / Parking	\$ _____
Public assistance	\$ _____	Public Transportation	\$ _____
Alimony/child support/separate maint.	\$ _____	Maintenance / Repairs	\$ _____
Other	\$ _____	<u>Clothing</u>	
Total Monthly Net Income	\$ _____	Family Clothes / Shoes	\$ _____
		Laundry / Cleaners	\$ _____
Expenses		<u>Medical</u>	
<u>Housing</u>		Dr. / Dentist / Health Ins.	\$ _____
Mortgage/Rent	\$ _____	Prescriptions	\$ _____
2nd Mortgage	\$ _____	<u>Other</u>	
Taxes/Insurance	\$ _____	Hair Care / Beauty	\$ _____
Electric	\$ _____	Gifts	\$ _____
Gas/Oil	\$ _____	Vacations	\$ _____
Water/Sewer	\$ _____	Life Insurance	\$ _____
Home Maintenance	\$ _____	Church / Temple	\$ _____
Telephone	\$ _____	Pet Care	\$ _____
<u>Food</u>		Tobacco / Alcohol	\$ _____
Groceries	\$ _____	Credit Card Payments	\$ _____
At Work/School	\$ _____	Other Loan Payments	\$ _____
Dining Out	\$ _____	Savings / IRA	\$ _____
<u>Child Care</u>		Other Expenses	\$ _____
Day Care/Sitters	\$ _____	Total Expenses	\$ _____
Child Allowance	\$ _____		
Support/Alimony	\$ _____		
<u>Education</u>			
Tuition	\$ _____		
Lessons	\$ _____		



www.cc-bc.com

Who We Are

Consumer Credit and Budget Counseling is a non-profit consumer education and financial counseling agency that serves individuals and families in financial distress. CC&BC assists each client to structure his or her consumer debts, primarily credit cards, into a single affordable monthly payment scheduled over a term of 3-5 years.

Consumer Credit and Budget Counseling is not a lending institution. It is not a government entity. It is a licensed non-profit consumer credit counseling agency.

The debt counseling function of CC&BC's business involves a determination of the relationship between how much a client will be able to pay on a monthly basis, as related to the client's monthly income and expense budget, and the total consumer debt to be paid or serviced.

Consumer Credit and Budget Counseling's funding comes from a small monthly service fee which is part of the client's Debt Management Program. The majority of our funding comes from voluntary contributions from creditors who participate in our Debt Management Program. In this way our Debt Management Program serves a dual role of helping the client repay their debts and helping creditors receive the **money owed them.**

What We Do

Consumer Credit and Budget Counseling helps its clients develop a budget which allows them to not only meet essential living expenses but also to pay down consumer debts in three to five years.

We structure the Debt Management Program by negotiating with credit card companies, banks, finance organizations and other creditors to lower payments, lower interest rates and reduce or eliminate late or over-limit fees.

Budgeting

We are often asked "How can I improve my credit?" One excellent way to take control of credit is to use a budget.



Think of your budget as your spending plan. It helps you plan where you will spend your money - - and how you can save some of it.



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Your Guide to Budgeting

Your monthly budget sets spending guidelines throughout the month. And at the end of the month, you have a scorecard of how you did. It is surprising the amount of money we waste each month on unnecessary purchases - - \$5 here, \$10 there, no big deal. By keeping track of all your spending, you may discover several hundred dollars "leaking" from your paycheck.

There are four steps to making a budget:

1. List your income
2. List your expenses
3. Compare income and expenses
4. Set priorities and make changes so that your income will be greater than your expenses

Income. For a budget to work, it must be accurate. For example, don't overestimate your income. On the other hand, you should consider all sources of income during the past 12 months, if they are likely to continue for at least 3 years.



Expenses. The next step in taking control of your spending is to identify your expenses - - all of your expenses. And don't forget bills that only come due every few months or so, such as car insurance. In these cases, list the average cost per month. For example, if you pay \$450 for car insurance every six months, you must

divided by 6 = \$75)

To figure out where the money goes, identify what you spend each month on both the essentials and those nonessential expenses. Nonessential expenses are the expenses you have each month that are not necessary, but are fun, luxurious, and increase the pleasures of life, not just the quality of life. These are the expenses you can sacrifice and do without - - dining out, entertainment, club memberships, subscriptions, and the like, particularly when you are facing that financial emergency.

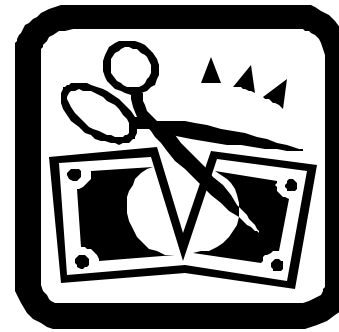
You might find the attached worksheet handy, as you list your monthly expenses:

If you are not sure how much you spend on things, write down everything you buy for a few months. This will help you see where you spend money and where you might be able to cut back so you will have more money for savings or to pay other bills.

Compare Income and Expenses.

If you determine that your monthly expenses are greater than your monthly income, you need to adjust your spending habits and control your expenses. The key of course to controlling your expenses are those so-called nonessential expenses. Here are a few ideas for cutting expenses:

- Buy only things you really need, not things you want
- Make a shopping list before you go to the grocery store and stick to it. Pay cash, not a credit card. Use coupons
- Eat at home. Take your lunch to



LOOK for sales and off-season bargains. Compare prices

- Share driving or use public transportation
- Buy a used car instead of a new car with high monthly payments

- Shop at thrift stores, garage sales, or flea markets
- Consider discontinuing services you don't really need, like cable TV, a cell phone, or a pager
- Avoid check-cashing stores, pawnshop loans, and rent-to-own stores. They can cost you a lot of money in fees and high interest charges.

Some ideas for increasing income are:

- Get a part-time job
- Work overtime hours on your current job
- Sell items that you make or no longer need at flea markets and garage sales.

Set Priorities and Make Changes. Your twin goals in making a spending plan or budget are to control your impulses to overspend, and to help you start saving money - - an essential part of rebuilding your credit.

Budgeting often requires support, is generally unpleasant, and usually entails changing well-established behaviors. For the financially distressed families, budgeting is even more unpleasant, because the family will face deficits even after severe belt tightening.

A family's discretionary expenses must be

charged your credit cards and are paying the minimum each month, get rid of your cards, or lock them up. Go on a cash basis for several months, or until you are financially stable. If your credit cards are charged up to the maximum and you are paying only the minimum, you will never pay the accounts off. You are essentially paying nothing toward the principal.

Now let's take this discipline one step further. At the beginning of each month, pull out and complete your monthly budget worksheet. For at least three months, keep a record of all expenses - - every penny. Carry a pad in your pocket and record all expenses. You will be surprised at the amount wasted on nonessential items. Write each of these expenditures down on your worksheet at the end of each day. This will allow you to track your expenses during the month. Go back through your budget worksheet, category-by-category, item-by-item. You may be surprised at the dollar total or the number of items you purchased. Look at your pattern of spending. Are you impulsively buying things you don't really need or do you consciously or consistently spend on the same essentials? This is not a time to be judgmental, only to be aware of your spending habits.

Look at your budget as a friend and not as a punishment. It can guide you back to financially secure ground. Soon your monthly budget will become a way of life. And you will be able to foresee future debt problems, thus allowing you to resolve them before they become se-