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Now add it all up!

What is your **total income**? \_\_\_\_\_

## Step 2. Next, let's organize your expenses!

**First, what are your necessary expenses that you must pay each month?**

These are your needs, which are basic things you must have to survive.

**Examples include:**

- Rent
- Groceries
- Phone bill
- Transportation
- Medical expenses
- Insurance

What expenses do you pay every month that are necessary to your health, wellbeing, and safety?

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**Are there any necessary expenses that only come up occasionally?**

Though you may not need to pay them every month, it is important to be aware of these types of expenses. List these below.

**Examples include:**

- Hair cuts
- Health expenses
- Taxes

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How much do you spend on necessary expenses? \_\_\_\_\_

Now, let's look at expenses that are optional. These are things you want to spend your money on, but do not need to survive.

**Examples Include:**

- Online subscriptions
- Games
- Eating out
- Vacations
- Hobby related costs

What type of expenses do you have that could be considered optional?

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How much do you spend on optional expenses? \_\_\_\_\_

What is the amount of your total expenses?

**Necessary Expenses + Optional Expenses = Total Expenses**

\_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_

Which is lower, your income or your expenses? Circle the answer below.

Total Income

Total Expenses

**Note:** If you can, try and ensure your income is greater than your expenses, as this will help you save.

Why do you think some people's expenses may be different than others?

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### Step 3. The next step is to think about saving!

If you have money left over after paying your expenses, it is good to save money.

It is good to save when you can afford to, so if there is an emergency or something unexpected happens, you have some money set aside to help.

There are many different situations where you may need to save.

#### Examples Include:

- When making a large purchase
- Paying emergency medical bills
- Losing your job
- Unplanned car or equipment repairs
- Medications
- To purchase something you *want*

**What are some things you may need or want to save for? How important are these things to you?**

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#### Let's visualize:

Pick one thing you may want to save for, how much is it? \_\_\_\_\_

If you divide this total amount by the number of times you want to put money away to save, the answer is the amount of money you will have to put away each time, to reach your savings goal.

**Example:** If you divide this number by **12** the answer is the amount you would need to put away each month to reach this goal is **one year**.



## Step 5. Repeat!

Regularly review your spending plan and make sure it is still accurate of your life. This will help you track changes in your spending and also allow you to see if you are spending more or less in a certain area.

### Think!

In the next month, when can you sit down and review your spending plan that you created today?

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