

THE WORRYFREE RETIREMENT®



The Spending Plan is designed to help you organize your finances and provide a visual picture of your spending habits. With knowledge comes wisdom, so when you realize just where your money is going, the hope is that you will find areas in which to cut wasteful spending and thus create more money to save/invest for your future.

STEP 1

Determine what your monthly income is from all sources: your salary, your spouse's salary and any other sources of income you might have, i.e. rental income, etc. Place this information in the top section of the Spending Plan Worksheet (pages 4–5.)

Note: Use NET amounts. Net is your take home pay, with taxes, insurance, etc. already deducted from your paycheck.

STEP 2

Now gather information from your previous months bills so you can record your actual monthly expenses. Only record those expenses which you pay on a monthly basis just now. Place this information, plus the due date, on the Spending Plan Worksheet.

STEP 3

For any bills that are paid on a quarterly, semi-annual or annual basis, we suggest you handle this way: Determine what that bill will cost you on an annual basis, i.e. for a quarterly bill, multiply it by 4 which will give you the annual rate. Then divide by 12. This becomes the cost per month. Enter this amount on your worksheet.

Note: For all bills such as this, you will transfer the monthly amount into another account (an escrow account if you will) so that when those bills become due (whether quarterly or annually), you can simply write a check for them out of the escrow account. This takes away any “surprise” bills that might sneak up on you.

STEP 4

Total up all monthly expenses and deduct this amount from total income for the month. The remaining amount represents what you should have left over at the end of the month and what is available to begin saving/investing for the future.

STEP 5

Should you have questions setting up your Spending Plan, feel free to call our office and we'll be glad to answer any questions you may have. If you feel you need our assistance in actually setting up your Spending Plan and would like to come into the office, we'll be glad to do that for a fee of \$500.00. This fee includes the initial setup fee and a follow-up appointment for us to monitor how you are doing.



SPENDING PLAN

Client's name _____

Today's date _____

STEP 1 — MONTHLY INCOME (NET)

Husband wages _____

Wife wages _____

Rental income _____

Social Security _____

Stock dividends _____

Other _____

Total monthly income: _____

STEP 2 — MONTHLY EXPENSES

Expenses	Date due	Budgeted Amount	Actual Amount
Home Mortgage			
Home Equity Account			
Credit Card - VISA			
Credit Card - Mastercard			
Credit Card			
Credit Card			
Credit Card			
401(k) plan			
Roth contribution			
Savings Account			
Other Savings/Investments			
Health Insurance			
Life Insurance			
Disability Insurance			
Automobile Insurance			
Rent			
Home Phone			
Cell Phone			
Cable			
Internet			
Electric Bill			
Gas Bill			
Garbage Collection			
Water/Sewer			
Car Gasoline			
Groceries/Toiletries			
Pharmacy			
Dining Out			
Drycleaning			
Clothing/Shoes			



SPENDING PLAN

STEP 2 — MONTHLY EXPENSES (CONT.)

Expenses	Date due	Budgeted Amount	Actual Amount
Health Club			
Beauty/Hair/Nails			
Entertainment			
Housekeeping Fees			
Gifts			
Landscaping/Mowing			
Charities / Donations			
Childcare Expenses			
Car Repairs			
Triple AAA			
Other			
Other			
Other			
Monthly Escrow Account			
Total Expenses			

STEP 3

Use the following table to determine how much money should be set aside in escrow each month in order to pay quarterly, semi-annual and annual payments.

Expenses	Yearly	Monthly
Husband car insurance		
Wife car insurance		
Bank service fees		
Car property taxes		
Holiday savings fund		
Lawn care		
Medical expenses		
Trash collection		
Real estate taxes		
Tax preparation		
Home maintenance		
Homeowner's insurance		
Other		
Other		
Other		
Escrow accounts totals		

