

BUILDING THE FOUNDATION FOR A SOLID FINANCIAL PLAN

YOUR GUIDE TO MONEY MANAGEMENT

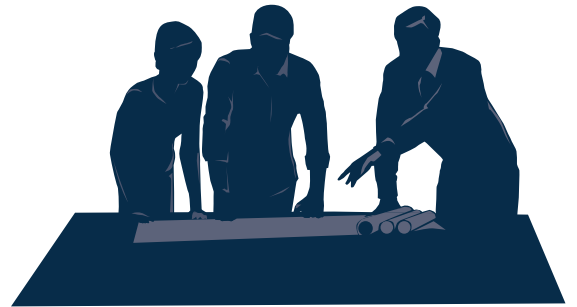
In some ways, building a financial plan is a lot like building a house; you need to start with a solid foundation. No matter what you build on top, it has to rest on solid footing in order to last.

Regardless of your age, being strategic with money management starts with four steps:

1. Understand your cash flow.
2. Develop a habit of saving and investing.
3. Be strategic about debt management.
4. Protect your assets and income.

In this paper, we'll address each of the four steps while also answering common questions such as: How do I gain better control of my finances on a short-term and long-term basis? How do I build a budget that balances my needs for today with saving and investing for my future? How much should I spend on things like housing or entertainment? What's the difference between saving and investing, and how much should I save and invest?

These basic strategies can help you achieve and maintain a solid financial footing, face a financial emergency with confidence, and set the stage for a happy and secure future.



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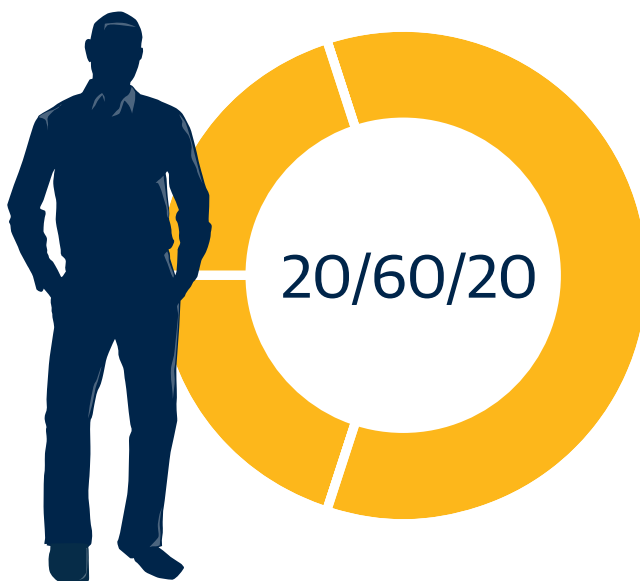
STEP 1. UNDERSTAND YOUR CASH FLOW

Cash flow refers to how much money is coming in and how much is going out each month. The goal should always be to have positive cash flow, meaning you spend less than you earn, and you have money at the end of each month. If you always seem to come up short at the end of the month, we can help you make some improvements.

Whether you are in a good position or need to make some changes, the best way to start managing your cash flow is to get an idea of where your money is going so that you can build and live within a budget. You're not alone if you get to the end of the month and wonder, "Where did all of the money go this month?" Give yourself a financial checkup by filling out a simple budget worksheet like the one you can find on page 13 of this white paper. Look at all of your expenses, and put them into one of three categories: saving and investing; essential expenses (housing, transportation, food, childcare, insurance, etc.); and discretionary expenses (entertainment, clothing, etc.).

HOW SHOULD I ALLOCATE MY SPENDING?

Once you have an idea of where your money is going, compare the amount you are spending with these basic rules of thumb to gauge whether your habits are within healthy limits. There may be some variance depending on your geographic region and personal situation. For example, if you live in an area where housing is very expensive, you may have to make choices that keep other expenses low so your budget will still be in balance. But a good rule of thumb to remember is 20/60/20.



BUDGET BUSTERS!

If you find yourself short of cash at the end of the month, one of these budget busters might be the culprit:

- 1. Impulse buying.** Making unplanned purchases with a credit card can add up quickly.
- 2. Forgotten bills.** Occasional expenses, such as a yearly car registration fee or new glasses, may sneak up on you.
- 3. No emergency fund.** A flat tire or broken ankle can happen anytime and have a large impact on your finances.
- 4. Underestimating expenses.** If you think you spend about \$75 a week on food, but it's really about \$135 a week with takeout and dining out, your budget will never balance.

TIPS FOR CONQUERING YOUR BUDGET BUSTERS

- 1. Write down everything.** Track your spending. You might be surprised how much you're spending in certain categories.
- 2. Pay only in cash.** Leave your credit and debit cards at home.
- 3. Be more selective with "Daily Deals" and coupons.** Deals may encourage you to splurge on unnecessary treats.
- 4. Make the tough choices.** Reaching long-term goals may require you to find more affordable housing, cancel cable or seek additional sources of income.



20% of your income should be spent on saving and investing:

In order to help ensure a more secure financial future, you should pay yourself first and spend what's left rather than saving only what's left after your monthly spending. You should save this into multiple different types of accounts to give yourself financial flexibility in the future.



60% of your income should be spent on essential expenses:

- Housing (no more than 30%), which includes rent or mortgage, property taxes, homeowner's or renter's insurance and utilities.
- Transportation (no more than 10%), such as your car payment, insurance, gas, parking, public transportation and cabs.
- Food (about 5-10%) bought at the grocery store.
- Children (10-15%) can account for a large percentage of your monthly cash flow. Some of their expenses may be discretionary (like clubs, entertainment, sports, etc.) and vary over time. When combined with the cost of childcare, clothing, feeding, and healthcare, these expenses can account for a large portion of the family's cash flow.
- Healthcare (5%) can account for up to 5% or more of your monthly cash flow when you consider deductibles, co-pays, or the monthly premiums (if not provided by your employer) and dental and vision care.
- Insurance coverage, such as disability and life insurance.
- Other debt payments such as student loans and existing credit card balances (not new credit card debt obtained in the current month—that would fall within other spending categories!).



20% of your income should be spent on discretionary expenses:

- Household and personal items, such as entertainment, clothing, dining out and personal care.
- Extra payments on your debts if paying them down is a priority.

Whenever possible, aim for lower percentages in all of the spending categories, so you can maximize your saving, investing and debt repayment.

Also, remember that money management and financial planning are a lifelong process of balancing income, expenses and savings. Your situation will change over time, so with each major life event (job change, marriage, kids, etc.), you should revisit your budget and adjust accordingly. The portion of your income you use to pay off college debt today may someday become money you pay for your child's day care or for a car. Later, it may shift into funds for college education, vacations, a bigger house or retirement planning.

While budgets generally include many of the same pieces, they may look different depending on what life stage you are in. Let's take a look at two scenarios to see how the percentages stay similar but the amount spent and the budgets differ based on life stage and income.

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 You should pay yourself first and spend what's left rather than saving only what's left after your monthly spending.

LIFE STAGE: YOUNG SINGLE

Jessica is single. She earns \$50,000 per year and has \$3,000 in credit debt and \$10,000 in college loan debt. She is contributing pre-tax dollars to her 401(k), taking full advantage of her employer's matching funds. Jessica pays \$9,400 in payroll taxes. That leaves her with approximately \$37,600, or \$3,133, per month. Here is the breakdown of how her cash flow compares to the 20/60/20 suggestion:

SAVING AND INVESTING: 15%

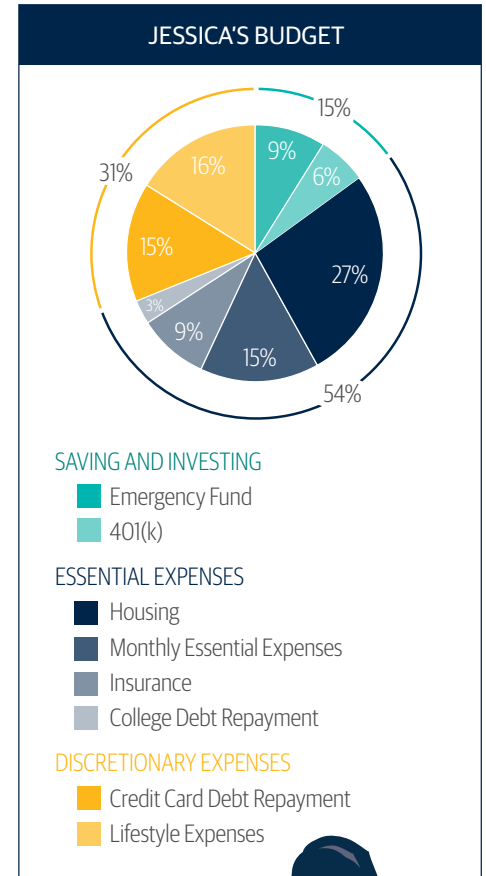
- **Emergency fund:** Jessica will set aside \$300 per month (9%) to build an emergency fund, with a goal of saving \$9,000-\$18,000 (3-6 months expenses).
- **401(k):** Jessica is investing \$250 per month (6%) in her 401(k) for retirement. Because a 401(k) allows you to contribute pre-tax dollars, she is contributing 6% of her gross, or total, pay (\$50,000). The rest of her budget is based on net pay—how much she takes home after deductions for things like taxes.

ESSENTIAL EXPENSES: 54%

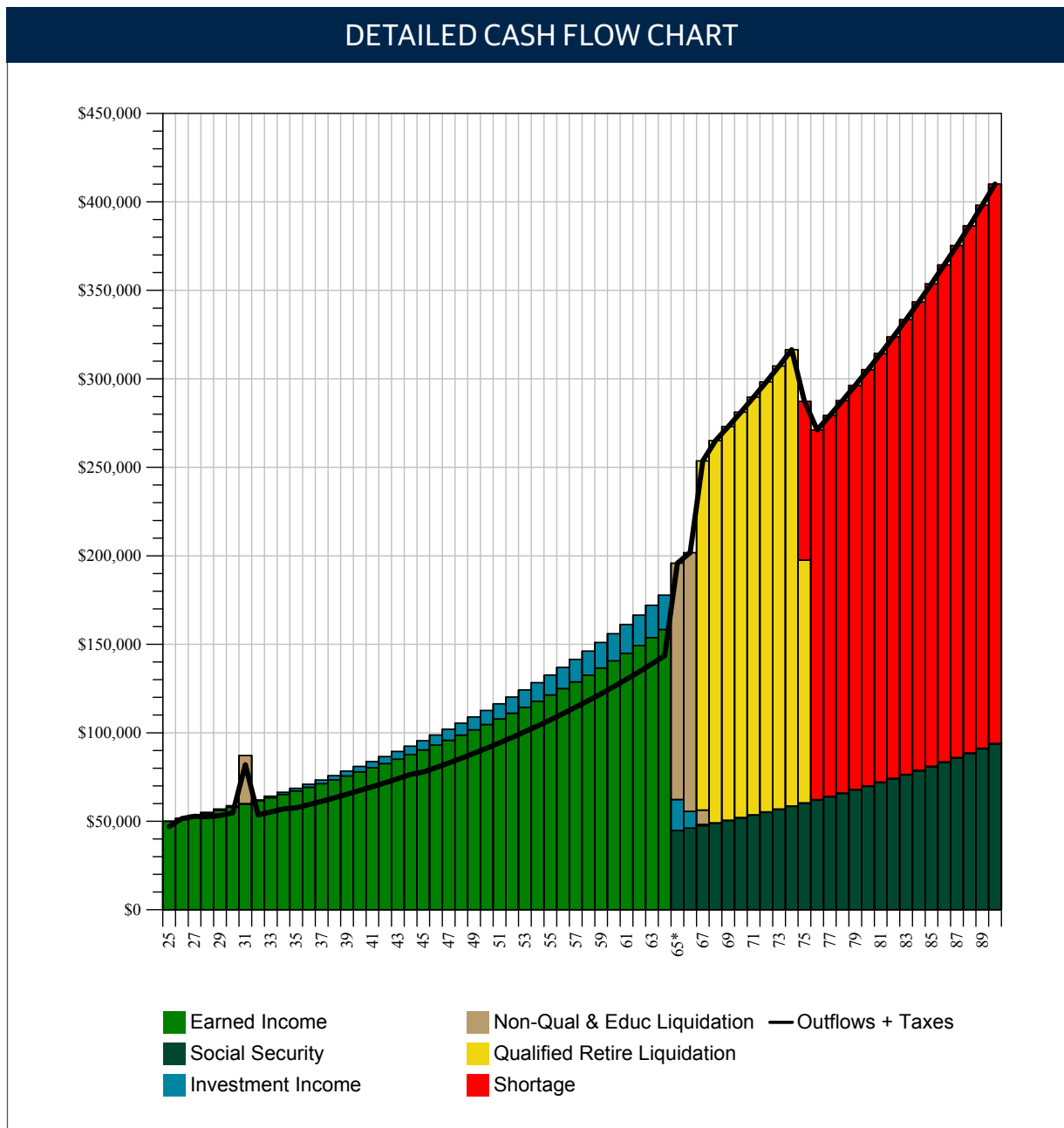
- **Housing:** \$900 (27%) per month, including rent/renter's insurance and utilities.
- **Monthly essential expenses, including grocery bill/gas/car payment:** \$500 (15%).
- **Insurance coverage, disability insurance, car, possibly life insurance:** \$300 (9%).
- **Finally, Jessica will make the minimum payment on her college debt, \$100 (3%) each month.**

DISCRETIONARY EXPENSES: 31%

- Jessica will dedicate a larger percentage of her monthly budget in order to quickly reduce her credit card debt. She'll allocate \$500 each month, paying her \$3,000 balance off in seven months (assumes a 12% interest rate). This will account for 15% of her monthly budget while she is making the payments.
- Jessica will have \$533 per month (16%) for discretionary expenses like cable, phone or entertainment.



Once she finishes paying off her credit card debt, Jessica plans to spend a little more on entertainment and her discretionary expenses each month. She also plans to start saving for a down payment on a condo. A financial advisor should provide a chart like the one below. It is a representation of Jessica's cash flow into her retirement. The tan spike at age 31 is her condo down payment. The tan and yellow in retirement are years she will be able to meet her financial needs based on her current savings rate into her 401(k) and other savings. Red is a shortfall. You'll notice yearly expenses continue to rise as Jessica gets older. That's because of inflation and because expenses typically increase as you get older and need more care. Because Jessica is young she will be able to adjust her plan in the future to save more and meet her retirement needs.



Values above the before-tax need line represent a surplus. Return rates used for the growth of investments are hypothetical assumptions deemed reasonable for this plan and are not guarantees or projections. Graph assumes 3% inflation, 7% annual pre-retirement return and 6% annual retirement return on investment assets.

* Retirement age.

LIFE STAGE: YOUNG FAMILY

Brandon and Courtney are married with two children, ages seven and five. They have a combined annual income of \$150,000, a new house, and a small amount of college debt left to pay. They each invest 6% (\$750 per month) in their respective 401(k)s, enough to take advantage of full employer matching funds. After taxes, they will take home \$108,000 per year, or \$9,000 per month. Here's how they will allocate their expenses based on 20/60/20:

SAVING AND INVESTING: 22%:

- Emergency fund: Brandon and Courtney will set aside \$1,000 (10%) every month to build back their emergency savings, which they dipped into for their down payment on their home. Their goal is to accumulate an additional \$30,000.
- 401(k): Brandon and Courtney are investing \$750 per month (6%) of their gross income, their total pay, for retirement.
- College savings: Brandon and Courtney are saving \$600 (6%) per month for their children's college education.
- Once they build back their emergency savings, Brandon and Courtney will begin to contribute monthly to mid- and long-term savings and increase monthly contributions for their children's education.

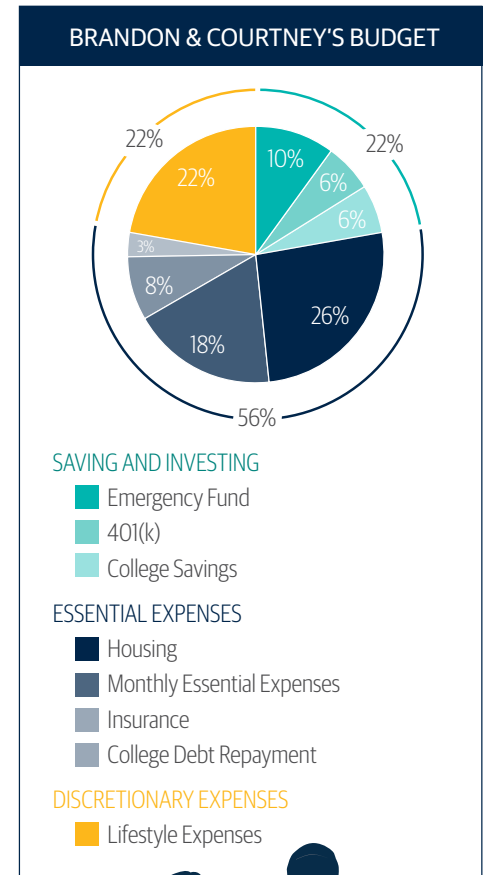
ESSENTIAL EXPENSES: 56%:

- Housing: \$2,500 (26%) per month, including mortgage/property taxes/homeowner's insurance and utilities.
- Monthly essential expenses: grocery bill/gas/car payment: \$1,800 (18%).
- Insurance coverage: disability/car/life: \$800 (8%).
- \$250 (3%) per month to make monthly payments on their remaining college debt.

DISCRETIONARY EXPENSES: 22%:

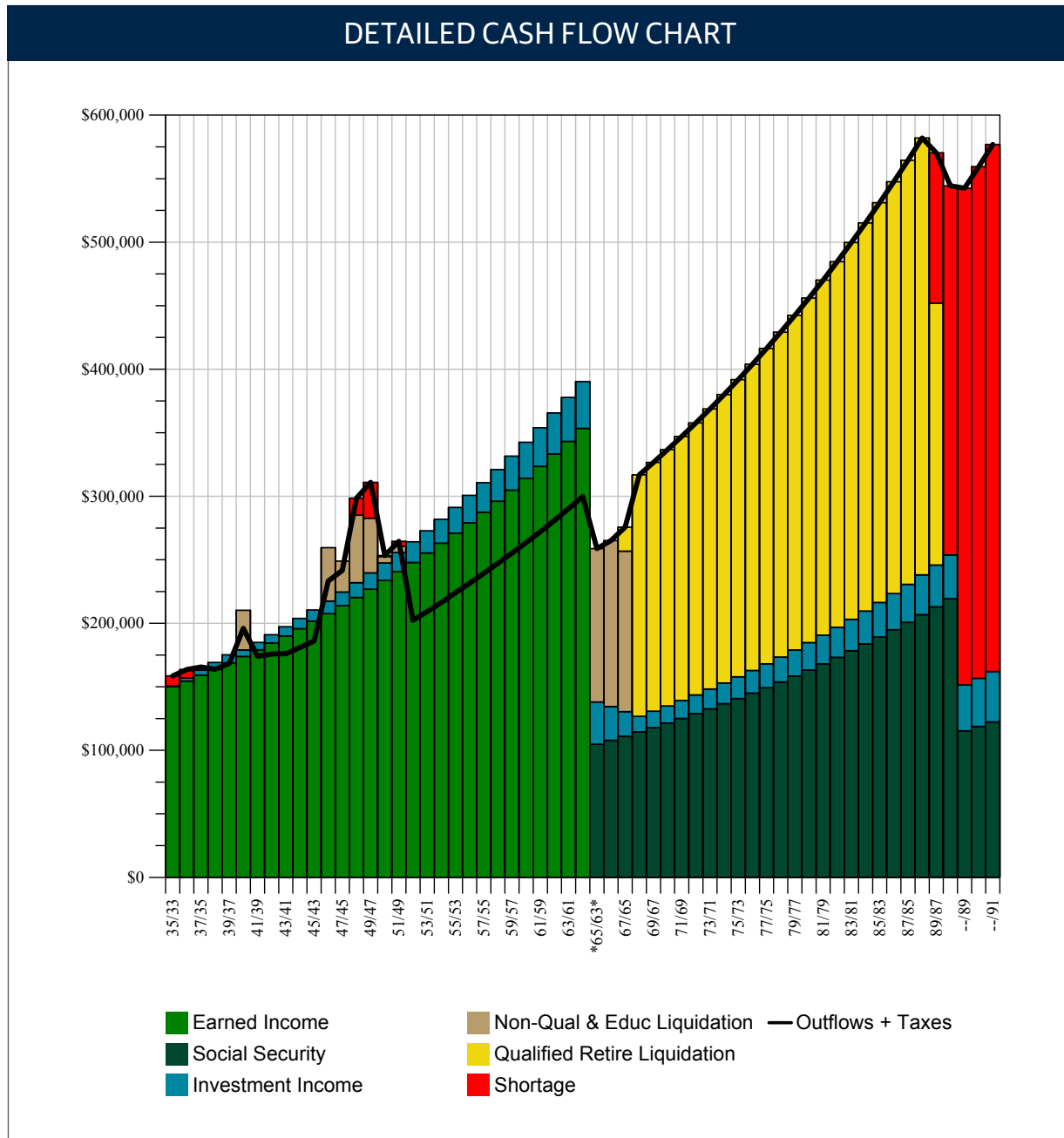
- Brandon and Courtney will have \$2,100 per month (22%) for discretionary expenses like cable, phone, clothes and entertainment.

As you can see, Brandon and Courtney are able to dedicate more to savings each month because they aren't paying off credit card debt. They also have a plan to begin saving for short-, mid- and long-term goals. Once they build up their emergency savings, they plan to invest more for their children's education and their retirement.



You can see, based on the chart below, that Brandon and Courtney will be able to pay for their new kitchen in several years when he is 40 and she is 38 (represented by the tan line). Based on their current savings rate, they will be able to fund most of their children's college education (Represented by the tan line when Brandon is 46 and Courtney is 44. The red is the amount of college they won't be able to fund.) And while they have a small shortfall in retirement based on their current savings rate, they still have plenty of time to make up the shortfall.

While many of her budget percentages are similar to Brandon and Courtney's, Jessica is still working to build a solid financial foundation. Brandon and Courtney are on a solid footing and are building on it as their family grows.



Values above the before-tax need line represent a surplus. Return rates used for the growth of investments are hypothetical assumptions deemed reasonable for this plan and are not guarantees or projections. Graph assumes 3% inflation, 7% annual pre-retirement return and 6% annual retirement return on investment assets.

* Retirement age.

STEP 2. DEVELOP A PLAN FOR SAVING AND INVESTING

What's the difference between saving and investing? Saving is setting aside money to access in the short term or in an emergency. It is money that you cannot risk losing. In exchange for safety (the guarantee that the value of your savings won't go down), you will likely not see much return (an increase in the saved amount). Investing, on the other hand, is putting your money into a vehicle that carries more risk, with the potential for a greater gain in value. In exchange for your tolerance of fluctuations in the value of your money and the potential that you could lose money, you may be rewarded over a longer time horizon with a greater return than you would have made with your money in a traditional savings account.

How should you approach saving and investing? You'll need a mix of both saving and investing strategies throughout your life. You should begin with these two strategies:

- **Establish an emergency fund.** It should be enough to cover six months of expenses. This will be crucial in the event of a financial setback, such as a major car repair or home repair, illness or other personal difficulty. Emergency savings can be in a traditional savings account or any other safe, "liquid" account—one that lets you get your cash out within three to five days without withdrawal penalties.
- **Contribute to your 401(k).** If you have a retirement plan at your workplace that features an employer match, take maximum advantage of the additional money. Invest at least up to the point where the employer match ends, if you are able. If you don't have access to a 401(k), start your own IRA using automatic deductions from your paycheck. Make sure you are not leaving yourself cash-strapped for today, however. Make sure you don't allocate too much of your income for retirement, leaving you less money to set aside for emergencies as well as short- and mid-term needs.

Assuming the items above are checked off your to-do list, consider the following for additional saving and investing options:

- **Invest and save for short- and mid-term needs.** Once you have an emergency fund and a retirement account started, you can save and invest additional money for short- and mid-term needs, such as a down payment on a home or new vehicle. Depending on your situation, you may want to put this money in a "safe" account (traditional savings, Certificate of Deposit (CD) or money market) or might consider taking on more risk and invest the money (mutual funds, stocks, bonds), hoping for greater return but knowing that you could lose value.

TRADITIONAL SAVINGS ACCOUNT

When you save \$1,000 in a traditional savings account, you are guaranteed to have \$1,000 plus a small amount of interest. Assuming a 0.2% interest rate of return, which is typical in a low-interest-rate environment, in 10 years your \$1,000 in savings would have grown to \$1,020.18.

\$1,000 = \$1,020.18

INVESTING

When you invest \$1,000, there is some risk that you could lose that money. Conversely, there is also a chance that your investment will have grown in 10 years. Assuming a 7% annual return, with compounding your investment would have increased to \$1,967.15.

\$1,000 = \$1,967.15

FOR MORE INFORMATION ABOUT RETIREMENT SAVING STRATEGIES, READ THE WHITE PAPER

["RETIREMENT SAVING: 5 Key Insights You Need to Know" on NorthwesternMutual.com](#)



- **Invest for college.** You can begin saving for your children's education in a 529 account that may offer both federal and state tax-deferral benefits. It's also possible to use the cash value of permanent life insurance for college expense. (Using cash value will reduce the death benefit.)

Don't forget that you can accelerate your saving and investing by increasing your contributions when you get a bonus or raise, finish paying off debt, or even if you get an inheritance.

There are a lot of different ways to save and invest. Here is a breakdown of some common vehicles (places) where you can put your money:

	VEHICLE	HOW IT WORKS	WHAT IT'S FOR
SAVING:	Traditional Savings Account	Offered through a bank. It will pay a small amount of interest. It's a good place to put money you can't afford to lose and may need to access quickly.	<ul style="list-style-type: none"> • Building an emergency fund • Growing short- to mid-term savings
	Money Market Bank Account	This works like a checking account but pays some interest, usually a small amount. It's a place to put money you can't afford to lose and may need to access quickly.	<ul style="list-style-type: none"> • Building an emergency fund • Growing short- to mid-term savings
	Certificate of Deposit (CD)	A bank or credit union account that pays a pre-determined amount of interest over a set time span, such as six months or one year. There is usually a penalty for early withdrawal. CDs are a good place to put money that you can't afford to lose but won't need for an emergency.	<ul style="list-style-type: none"> • Growing short- to mid-term savings
INVESTING:	401(k)	This vehicle is offered through employers. Money goes in before taxes and grows tax deferred but will be taxed when you take it out in retirement. 403(b) and 457 plans operate in a similar way. Each have yearly contribution limits. There will be a penalty if you take withdrawals prior to age 59 1/2.	<ul style="list-style-type: none"> • Saving for retirement
	Roth 401(k)	This plan is similar to a 401(k). The key difference is that contributions are made with after-tax dollars. The amount you contribute can be taken tax free in retirement. There will be a penalty if you take withdrawals prior to age 59 1/2.	<ul style="list-style-type: none"> • Saving for retirement
	Individual Retirement Account (IRA)	An IRA allows you to make tax-deductible contributions. Investments will grow tax deferred and be taxed when you take your money in retirement. There is an annual cap on tax deductions for contributions. There will be a penalty if you take withdrawals prior to age 59 1/2.	<ul style="list-style-type: none"> • Saving for retirement
	Roth IRA	A Roth IRA allows you to contribute money that has already been taxed. It will then grow tax free and come out tax free when you retire. There will be a penalty if you withdraw earnings prior to age 59 1/2.	<ul style="list-style-type: none"> • Saving for retirement
	529 Account	A 529 plan is a college funding savings plan, so named for the section of the Internal Revenue Service code where its unique features and tax treatment are described.	<ul style="list-style-type: none"> • Saving for college
	Mutual Fund	A pool of money collected from many investors for investing in stocks, bonds or other investment vehicles.	<ul style="list-style-type: none"> • Investing for mid- to long-term needs • Saving for retirement • Saving for college
	Bond	Money lent to a company, government entity or other type of institution. As a bondholder, you will be repaid the money at a specific date, usually with interest. Bonds are typically sold through a brokerage account.	<ul style="list-style-type: none"> • Investing for mid- to long-term needs • Saving for retirement • Saving for college
	Stock (also called equity)	Ownership of a share of a company's assets and earnings. Stocks are typically sold through a brokerage account.	<ul style="list-style-type: none"> • Investing for mid- to long-term needs • Saving for retirement • Saving for college

STEP 3. BE STRATEGIC ABOUT DEBT MANAGEMENT

If you're just out of college or have suffered a setback, chances are you may have some debt to pay off. We're conditioned to think of debt as a bad thing, but not all debt is created equal. When you're trying to manage your debt, it's important to understand and prioritize the different kinds of debt.

Secured debt includes loans that are linked to an asset, such as a house or car. While you are paying back the loan, the lender holds the title to the asset—essentially they “own” your house while you have a mortgage. Because the bank has your collateral—something of value it can take back—interest rates are generally lower on these types of mortgages, home equity lines of credit and vehicle loans.

Unsecured debt includes credit card debt, personal loans and student loans—essentially anything that isn't backed by physical property that the bank can take back if you stop paying on your loan. Unsecured debt generally has a higher interest rate to compensate the bank for the greater risk they are taking in lending you the money.

You may have heard people refer to debt as “good” and “bad” debt. All debt requires paying interest, but some debt comes with advantages over others. For example, student loan debt is an investment in your future and a necessity for many families. Some debt, like home mortgages, is tax deductible. On the other hand, a car loan may be a bad debt decision if you bought a very expensive car that's beyond your means—especially if you have to allocate a larger portion of your monthly income toward the payment.

PRIORITIZING YOUR DEBT PAYMENTS

Obviously, you need to make all of your monthly payments on all of your debts, but if you have any extra cash to dedicate to debt reduction, here is how we recommend you prioritize it:

- **Begin with high-interest-rate credit cards.** Never make just the minimum payment, which could take years to pay off and end up costing you nearly twice the purchase price (see example to the right). Focus on paying off credit cards that carry the highest interest rate first. As you move forward, avoid charging more than you can completely pay off every month in the future.
- **Focus on nondeductible debt next.** After you have paid off your credit card balances, concentrate on making extra payments toward nondeductible debt, such as car loans and personal loans. There are usually no tax advantages to these types of loans—in other words, interest on these loans is not income tax deductible—and you may save interest costs if you pay them off early.
- **Additional payments on deductible debt come last.** Deductible debt includes mortgages, home equity loans and qualified student loans. Interest paid on these loans may be deductible on your income taxes if you itemize (within certain income and mortgage limits). Ask your tax advisor for details on your specific situation, as some deductions phase out as your income increases.

Keep in mind that there may be times when paying off debt may not be the best financial decision based on your overall financial plan. For example, you may want to invest more when the market is performing well, versus paying more against a low-interest-rate mortgage. This is where working with a financial advisor can be advantageous for you. He or she can evaluate your personal situation and recommend the options that best fit your overall needs.

FOUND A BARGAIN?

Not if you can't pay off your credit card each month.

Big-screen TV price paying cash:

\$679.00
(CASH)

Big-screen TV price with minimum credit card payments:*

\$1,037.93
(CREDIT CARD)

It will take you 59 months (nearly 5 years!) to pay off the TV.

*Based on a 21% interest rate

STEP 4. PROTECT YOUR ASSETS AND INCOME

Your most important assets are you and your earning potential throughout your lifetime. If you get sick or are injured or die prematurely, it's important to make sure your plan for the future can stay on track financially.

Below are the most important actions you can take to help protect you, your family and your financial security.

Disability Insurance. When you're young and healthy, a disability may seem like a long shot, but you're actually nearly twice as likely to be injured or disabled by illness than to die during your working years.¹ While you may think disability has to be physical, 70% of disabilities are caused by health problems like heart attacks or strokes, cancer, back problems and even maternity.² According to a 2013 report by the U.S. Social Security Administration, one in four of today's 20-year-olds will become disabled before he or she reaches age 67.³ A long-term disability could have a devastating effect on your current finances, as well as your long-term retirement savings.

Even if you're eligible for employer-provided disability insurance, Social Security Disability or Workers' Compensation, those benefits may not be adequate to pay your expenses and allow you to save for the future. Many employers offer disability coverage that will replace a portion of your salary. Purchasing additional disability insurance on your own can help ensure you're able to maintain your standard of living if you're ever disabled and unable to work.

Life Insurance. Life insurance protects your survivors in the event you die prematurely. The proceeds from life insurance can make up lost income and can also help cover discretionary expenses your loved ones may incur if you're not there to provide for them.

In addition to the death benefit, permanent life insurance policies accumulate cash value. That's money that you could eventually access for emergencies or opportunities like an unexpected house repair or college. If you no longer need the full death benefit, you could also eventually use the cash value to supplement your retirement.

Property Casualty Insurance, also called property liability insurance, protects you against financial losses when you are found legally liable for an accident that injures another person or damages a person's property. It also covers you in the event that you are injured by someone who does not have the proper type or amount of insurance in place. Property casualty insurance typically covers the injured person's medical bills, loss of wages, legal fees, and pain and suffering.

ESTATE PLANNING IS NOT JUST FOR THE RICH AND FAMOUS

As you're protecting the people close to you, it's also important to think about the legal ramifications if you die. Without an estate plan (containing documents such as will, trust and powers of attorney), your state law will determine how your assets will be disbursed and even who will care for your children. With an estate plan, you can provide specific directions for your own care, your minor children's care, and management and distribution of your assets.

FIND OUT MORE ABOUT ESTATE PLANNING:

In our white paper:
[Your Estate Plan: Is a Trust Right for You?](#)
on [NorthwesternMutual.com](#) ▶



Or our webcast:
[Estate Planning: It's Not Just for the Rich and Famous—Why Everyone Needs a Plan](#)
on [NorthwesternMutual.com](#) ▶

WHEN IT'S TIME TO GET PROFESSIONAL HELP

Achieving your financial goals is doable. Regardless of how much money you have today, your first step should be to build a strong foundation. Make sure you work with someone who can deliver a comprehensive financial plan. Your financial advisor should get to know you and your specific goals and dreams, such as paying off debt, buying a house or paying for your child's college education. Then, he or she will help you turn your life goals into financial goals, recommending the right products and solutions for your needs. Finally, he or she will help you track your progress toward reaching your goals, making adjustments along the way.

At Northwestern Mutual, we can help you, whether you're building the foundation of a strong financial plan or well on your way to reaching your financial goals. We'll begin with the right building blocks and evolve your plan as your life, needs and income change over time.

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¹Society of Actuaries 2013 IDI Valuation Table; 2008 Valuation Basic Table

²Northwestern Mutual claim data 2008-2013

³<http://www.ssa.gov/news/press/basicfact.html>

This white paper is not intended as legal or tax advice. Northwestern Mutual and its financial representatives do not give legal or tax advice. Taxpayers should seek advice regarding their particular circumstances from an independent legal, accounting or tax adviser.

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

No investment strategy can guarantee a profit or protect against a loss.

With fixed income securities, such as bonds, interest rates and bond prices tend to move in opposite directions. When interest rates fall, bond prices typically rise; and conversely when interest rates rise, bond prices typically fall.

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www.northwesternmutual.com
29-5437 (0714)

MONTHLY BUDGET



To complete your current financial profile, it is important to review your monthly expenses.

ESSENTIAL EXPENSES (60%)

Housing

Mortgage/Rent \$ _____
Property Taxes \$ _____
Home Maintenance \$ _____
Homeowner's Ins. \$ _____
Utilities (Electric, Gas, Water, etc.) \$ _____
Other () \$ _____

Household/Personal

Groceries \$ _____
Personal Care \$ _____
Clothing/Dry Cleaning \$ _____
Domestic Help \$ _____
Professional Dues \$ _____

Children

Dependent/Child Care \$ _____
Education/School \$ _____
Cash/Allowances \$ _____

Health Care/Insurance

Health Insurance \$ _____
Life Insurance \$ _____
Disability Insurance \$ _____
Long-term Care Insurance \$ _____
Medical/Dental/Drugs \$ _____

Transportation

Auto Payment(s) \$ _____
Gas \$ _____
Maintenance/License \$ _____
Parking/Tolls/Bus/Train \$ _____
Auto Insurance \$ _____
Other () \$ _____

Subtotal \$ _____

SAVING & INVESTING (20%)

Emergency Fund \$ _____
College Savings \$ _____
Short/Mid Term Needs \$ _____

Subtotal \$ _____

DISCRETIONARY EXPENSES (20%)

Cable/Phone/Internet \$ _____
Dining Out \$ _____
Recreation/Club Dues \$ _____
Movies/Sporting Events \$ _____
Hobbies \$ _____
Vacation/Travel \$ _____
Gifts/Contributions \$ _____
Credit Card Debt Repayment \$ _____
Other () \$ _____
Other () \$ _____
Other () \$ _____

Subtotal \$ _____

TOTAL MONTHLY EXPENSES \$ _____

NET MONTHLY INCOME \$ _____

LESS EXPENSES \$ _____

TOTAL SURPLUS/DEFICIT \$ _____