



## Making Ends Meet<sup>1</sup>

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### Where does your money go?

- ❖ Can you pay all of your bills each month?     \_\_\_ yes \_\_\_ no \_\_\_ sometimes
- ❖ Do you run out of money before the end of the month?     \_\_\_ yes \_\_\_ no \_\_\_ sometimes

### There are things you can do to stretch you dollars.

*Follow these simple steps:*

- Keep a record of **every cent** you spend for **two weeks**. That helps you see where your money goes.

**How much did you spend during two weeks?**

1) \$

- Write down all the money you get **each month**. Include your paycheck, plus any other money you receive.

\$ \_\_\_\_\_ Paycheck

\$ \_\_\_\_\_ Other money

Add these numbers. That is your monthly **income**.

**Your total income is**

2) \$

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- On a separate piece of paper write of all of your **bills that are the same each month**, such as:

\$	Rent/Mortgage	\$	Other
\$	Credit Installments	\$	Other
\$	Insurance	\$	TV/Cable

Add these together. This is the **total** of your monthly bills that do not change from month to month.

**The total of bills that do not change is:**  
**3) \$**

- List all other expenses you have each month. These **do not cost the same each month**.
- Write down an average of what you spend each month on:

\$	Groceries (food)	\$	Utilities (electricity, gas, water)
\$	Clothes	\$	Gasoline (car expenses)
\$	Credit cards	\$	Charitable donations
\$	Food away from home (snacks, drinks, etc.)	\$	School expenses
\$	Other	\$	Recreation, Entertainment

Add these together.

**The total amount of other monthly expenses is:**  
**4) \$**

- List **other things** you spend money for **during the year**.

Expense		How Often?	Amount you need to save each month for these bills (Yearly Amount /12 months)
\$	Car tag, tax		\$
\$	Vacation/Recreation		\$
\$	Gifts		\$
\$	Other insurance		\$
\$	Car/truck repairs/service		\$
\$	(Other, please list)		\$

**Total to save each month toward occasional bills:**  
**5) \$**

- It is important to save some money each month. You save this money for two reasons:
  - A. For emergencies, to tied you over if there is an unexpected bill.
  - B. To save toward something you want badly, such as a new T.V., a trip, or maybe a down payment on a new car or home. Save at least 5% of your take home pay.

**Amount to save each month for emergencies:**  
**6) \$**

- Look at the expenses you listed. Put the total amount of each expense in the spaces below:

Bills that do not change each month:(From #3)	\$
Bills that change each month:(From #4)	\$
Monthly average of sometime expenses:(From #5)	\$
Savings:(From #6)	\$
<b>Add these together to find your total expenses.</b>	<b>\$</b>

Total Expenses: \$

- Write the **total** of your **expenses** from the information above in this space: \$ \_\_\_\_\_
- Write the **total** of your monthly **income**. (From #2)\$ \_\_\_\_\_
- Which is **more**, your income or your expenses? \_\_\_\_\_

If your expenses are more than your income, you must make changes to spend less. Look at the record of your expenses. Look for things you bought that were unnecessary. (From #1)

- What did you buy that you could do without? (Maybe you could have found a less expensive item, or bought a used item instead of a new one.)
- What can you cut back on?

Make changes until your expenses are **less than** your income. When you have done that, you have developed your spending plan. Make a copy and put it on the mirror in your room or on the refrigerator door. Try to follow your plan. Make changes when necessary. It is very important to live within your income.

### **To build a good future:**

- Pay your rent by the due date. It saves you money and builds a good credit record.
- Pay your utility bills when they are due. An unpaid utility bill can really hurt your chances of getting credit.
- Pay bills by the due date. Pay as much as you can on them. Never skip a payment. Pay at least something on each bill every month.
- Look at your spending plan often. Use it as a guide. Buy only what you can pay for.
- Shop carefully. There are many ways to save money when shopping.
- If you do not have a bank account, open one. Comparison shop for the bank account. Use checks to pay bills. Keep good records. **DO NOT BOUNCE A CHECK.** A bad check will cost a lot of money. A checking account helps build a good record for you. Many employers now deposit employees' paychecks directly into their bank account.

**Remember, you can do it!!**