

Best Advice: Plan Your Work & Work Your Plan

Step 1: Write down your goals and think about the following:

- Do you have a \$ of debt you'd like to pay off? If so, what's the goal timeframe to get to \$0 debt
- Are you saving up for something in particular (wedding, house, vacation, new car, etc.)
- Are you looking to pay down debt AND save? What are the \$ amounts for each?

Step 2: Determine your monthly income after taxes and retirement contributions

Annual Pre-Tax Income:	\$.
Est. Taxes	\$.
Retirement Contributions	\$.
Annual Take-Home Pay	\$.
Monthly Take Home Pay	\$.

Enter your annual salary
 See above link for calculating taxes
 Multiply annual pre-tax income by % taken out for retirement
 Calculate annual take home by subtracting taxes and retirement contributions from your pre-tax income
 Divide by 12 to determine monthly salary

Step 3: Calculate your monthly fixed and variable expenses

Fixed Expenses	
Rent/Mortgage	\$.
<i>Utilities:</i>	
Heat	\$.
Water	\$.
Electricity	\$.
Gas	\$.
Internet / Cable	\$.
Phone	\$.
Other	\$.
Groceries	\$.
Memberships	\$.
Medical	\$.
Insurance	\$.
<i>Transportation:</i>	
Gas	\$.
Auto Maintenance	\$.
Public Transportation	\$.
Uber/Lyft/Taxis	\$.
Childcare	\$.
<i>Debt Payments:</i>	
Student Loans	\$.
Auto Loans	\$.
Other Loans / Debt	\$.
Other Fixed Expenses	\$.
Total Fixed Expenses	\$.

Fixed expenses are expenses that generally do not change from month to month

Any monthly utilities I left out (trash collection, condo fees etc.)?

*Don't forget to add in annual memberships - divide by 12 to get the monthly payment

Anything I left out?
 Add up all of your fixed expenses

Variable Expenses	
Entertainment	\$.
Food (Dining Out)	\$.
Clothes	\$.
Travel / Vacations	\$.
Other	\$.
Total Variable Expenses	\$.

Variable expenses tend to vary from month to month. These are typically considered non-necessity items
 Entertainment could be movie tickets, concerts, sport events, parties, drinks etc.

Flights, car rentals, hotels, excursions etc.
 Anything I left out?
 Add up all of your variable expenses

Total Expenses	\$.
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Add fixed and variable expenses to calculate your total monthly expenses

Step 4: Calculate your cash cushion (i.e. how much you have left over at the end of each month)

Monthly Take Home Pay	\$.
Total Expenses	\$.
Cash Left	\$.

How much do you have left at the end of the month?