

## CASE STUDY A

Mindy Smith, 33 years old, was recently divorced from her husband Terry after 10 years of marriage. She has three children, ages 3, 5, and 8. Terry is a CPA. Mindy has never worked outside of the home, although she completed one year of college. Terry and Mindy had been actively involved in a large church since they were married. Mindy now wants to marry Carol, a lady who sings in the church choir. The church quickly responded by following the steps outlined in Matthew 18:15-17, but Terry and Carol are not repentant and now want nothing to do with the old church. Mindy has stayed in the house, which is in a small city with limited public transit. They have a dog.

Mindy is working 40 hours per week at a bookstore, where she earns just over the minimum wage. Mindy's mother has offered to watch the children while Mindy works. The church has helped with food and utility bills, but Mindy cannot continue this long-term.

Following are the agreements in the divorce settlement.

- Mindy was awarded the house but has to pay the mortgage.
- Mindy was awarded all personal belongings - furniture, toys, clothes.
- Mindy was awarded child support of 1,800 per month.
- Mindy was awarded the Honda Accord, which has a loan against it.
- Mindy will be responsible for the credit cards and personal loans shown on the debt list.
- Terry is responsible for providing health insurance for the children. He is also responsible for all medical expenses the health insurance doesn't pay, plus all dental and prescription drug expenses for the children if the employer does not provide health insurance.
- Terry is to carry life insurance on himself in the amount of 250,000 with the children as the beneficiaries until the youngest child reaches age 21.
- No alimony was awarded.
- Mindy was awarded the exemptions of the children for income tax purposes.

Help Mindy develop a realistic budget for her new situation as a single mother.

- Complete the "% Spending Plan" tab, using appropriate percentages from the "Percentage Guide" tab.
- In the "Spending Plan" tab, complete the "new budget" column, explaining significant changes in the "old budget" column.

**The questions below will be in the Assignment for Case Study A. They are listed here so you can be thoughtful about them as you review the forms in this spreadsheet.**

1. What scriptures and biblical principles could help Mindy understand how God wants her to manage her money and decide about declaring bankruptcy?
2. What actions should Mindy take to help her adjust to her new lifestyle and her resulting emotions?
3. Mindy's debt payments are significantly over the guideline. What practical steps should Mindy take to address this?
4. Mindy's housing expense is significantly over the guideline. How would you help Mindy decide whether to rent or buy?
5. What actions should Mindy take to secure some type of health and life insurance?
6. What actions should Mindy take to fund emergency savings and clothing?

This is a very sad situation that you may very well run in to. Statistics show:

- 41 percent of first marriages end in divorce.
- 60 percent of second marriages end in divorce.
- 73 percent of third marriages end in divorce.

This is alarming and sad news. Yet Christians are not exempt from these types of situations.

| Assets & Liabilities |  |
|----------------------|--|
| Date:                |  |

Comments

| ASSETS (Present Market Value)   | Balance           |
|---|-------------------|
| Cash On Hand (both husband and wife if married)                       | 50.00             |
| Checking Accounts   | 250.00            |
| Savings Accounts  | 0.00              |
| Stocks and Bonds  |                   |
| Cash Value of Life Insurance  |                   |
| Valuable Collections (coins, stamps, etc.)                            |                   |
| Primary Home Value (look up value, e.g., zillow.com)                  | 300,000.00        |
| Other Real Estate   |                   |
| Mortgages/Notes Receivable  |                   |
| Automobile 1 (look up value, e.g., kbb.com) - 4 year-old Honda Accord | 22,000.00         |
| Automobile 2 (look up value, e.g., kbb.com)                           |                   |
| Automobile 3 (look up value, e.g., kbb.com)                           |                   |
| Personal Property (Furniture, Jewelry, etc.)                          | 20,000.00         |
| Retirement Savings (401k, 403b, IRAs, Pension, etc.)                  |                   |
| College Savings   |                   |
| Other Assets  |                   |
| <b>Total Assets:</b>  | <b>342,300.00</b> |

| LIABILITIES / DEBT LIST   |                    |                         |               |                 |                  |
|---|--------------------|-------------------------|---------------|-----------------|------------------|
| CREDIT CARDS (only list cards for which you do not pay the full statement balance each month) |                    |                         |               |                 |                  |
| Credit Card Issuer  | What Was Purchased | Minimum Monthly Payment | Interest Rate | Months Past Due | Balance Due      |
| Chase Amazon  | Various            | 50.00                   | 23.0%         | 0               | 4,000.00         |
| Citibank Visa   | Various            | 65.00                   | 20.0%         | 0               | 5,500.00         |
| Capital One Mastercard  | Various            | 40.00                   | 21.0%         | 0               | 2,500.00         |
|   |                    |                         |               |                 |                  |
|   |                    |                         |               |                 |                  |
| <b>Total Credit Cards</b>   |                    | <b>155.00</b>           |               |                 | <b>12,000.00</b> |

| AUTO LOANS              |                         |                         |               |                 |                  |
|-------------------------|-------------------------|-------------------------|---------------|-----------------|------------------|
| Loan Company            | Year, Make, Model       | Minimum Monthly Payment | Interest Rate | Months Past Due | Balance Due      |
| Honda Financing         | 4 year-old Honda Accord | 530.00                  | 6.0%          | 0               | 18,000.00        |
|                         |                         |                         |               |                 |                  |
|                         |                         |                         |               |                 |                  |
|                         |                         |                         |               |                 |                  |
| <b>Total Auto Loans</b> |                         | <b>530.00</b>           |               |                 | <b>18,000.00</b> |

| HOME MORTGAGES (includes home equity loans or lines of credit) |                  |                         |               |                 |                   |
|--|------------------|-------------------------|---------------|-----------------|-------------------|
| Mortgage Service Company                                       | Property Address | Minimum Monthly Payment | Interest Rate | Months Past Due | Balance Due       |
| My Town Credit Union   | 18 Oak Court     | 1,800.00                | 4.0%          | 0               | 250,000.00        |
|  |                  |                         |               |                 |                   |
|  |                  |                         |               |                 |                   |
| <b>Total Home Mortgages</b>                                    |                  | <b>1,800.00</b>         |               |                 | <b>250,000.00</b> |

| OTHER DEBT (education, medical, personal, business, legal, IRS, etc.) |   |                         |               |                 |                 |
|---|---|-------------------------|---------------|-----------------|-----------------|
| Who   | Type of Debt (medical, education, etc.) | Minimum Monthly Payment | Interest Rate | Months Past Due | Balance Due     |
| Best Finance  | Debt Consolidation Loan                 | 260.00                  | 10.00%        |                 | 8,000.00        |
|   |   |                         |               |                 |                 |
|   |   |                         |               |                 |                 |
| <b>Total Other Debt</b>   |   | <b>260.00</b>           |               |                 | <b>8,000.00</b> |

|   |                   |
|---|-------------------|
| <b>Total Liabilities/Debts</b>                                | <b>288,000.00</b> |
| <b>NET WORTH (Total Assets minus Total Liabilities/Debts)</b> | <b>54,300.00</b>  |

**Instructions**

1. Find the family situation that most closely represents your family (i.e. Married with 4 children, Single with roommate, etc.).
2. Find the gross income level that most closely represents your family (i.e. \$25,000 to \$125,000).
3. Taxes include all current actual monthly Federal, Social Security, Medicare, State, and Local Income Tax Taxes.

**Suggested Percentage Guidelines For Family Income**

**(Married with 4 Children)**

| <b>GROSS HOUSEHOLD INCOME:</b> | <b>25,000</b>                    | <b>35,000</b> | <b>45,000</b> | <b>55,000</b> | <b>85,000</b> | <b>125,000</b> |
|--------------------------------|----------------------------------|---------------|---------------|---------------|---------------|----------------|
| <b>1. Tithe/Giving</b>         | 10%                              | 10%           | 10%           | 10%           | 10%           | 10%            |
| <b>2. Total Taxes</b>          | <b>Use Current Monthly Taxes</b> |               |               |               |               |                |

**Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%**

|                                    |      |      |      |      |      |      |
|------------------------------------|------|------|------|------|------|------|
| <b>3. Housing</b>                  | 38%  | 38%  | 34%  | 33%  | 32%  | 32%  |
| <b>4. Food</b>                     | 15%  | 15%  | 14%  | 14%  | 14%  | 14%  |
| <b>5. Transportation</b>           | 14%  | 14%  | 12%  | 12%  | 11%  | 11%  |
| <b>6. Insurance</b>                | 5%   | 5%   | 5%   | 5%   | 5%   | 5%   |
| <b>7. Debts</b>                    | 5%   | 5%   | 5%   | 5%   | 5%   | 5%   |
| <b>8. Entertainment/Recreation</b> | 3%   | 4%   | 4%   | 5%   | 5%   | 5%   |
| <b>9. Clothing</b>                 | 5%   | 5%   | 6%   | 6%   | 7%   | 7%   |
| <b>10. Savings</b>                 | 4%   | 4%   | 5%   | 5%   | 5%   | 5%   |
| <b>11. Health &amp; Wellness</b>   | 8%   | 7%   | 7%   | 7%   | 7%   | 7%   |
| <b>12. Miscellaneous</b>           | 3%   | 3%   | 5%   | 5%   | 5%   | 5%   |
| <b>13. Investments</b>             | 0%   | 0%   | 3%   | 3%   | 4%   | 4%   |
| <b>Total Net Spendable Income:</b> | 100% | 100% | 100% | 100% | 100% | 100% |

**14. School/Child Care** no guideline percentages

## Suggested Percentage Guidelines For Family Income

**(Married with 2 Children)**

| GROSS HOUSEHOLD INCOME:   | 25,000                    | 35,000      | 45,000      | 55,000      | 85,000      | 125,000     |
|---|---------------------------|-------------|-------------|-------------|-------------|-------------|
| 1. Tithe/Giving   | 10%                       | 10%         | 10%         | 10%         | 10%         | 10%         |
| 2. Total Taxes  | Use Current Monthly Taxes |             |             |             |             |             |
| <b>Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%</b> |                           |             |             |             |             |             |
| 3. Housing  | 39%                       | 36%         | 32%         | 30%         | 30%         | 29%         |
| 4. Food   | 15%                       | 12%         | 13%         | 12%         | 11%         | 11%         |
| 5. Transportation   | 15%                       | 12%         | 13%         | 14%         | 13%         | 13%         |
| 6. Insurance  | 5%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| 7. Debts  | 5%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| 8. Entertainment/Recreation   | 3%                        | 5%          | 5%          | 7%          | 7%          | 8%          |
| 9. Clothing   | 4%                        | 5%          | 5%          | 6%          | 7%          | 7%          |
| 10. Savings   | 5%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| 11. Health & Wellness   | 5%                        | 6%          | 6%          | 5%          | 5%          | 5%          |
| 12. Miscellaneous   | 4%                        | 4%          | 6%          | 6%          | 7%          | 7%          |
| 13. Investments   | 0%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| <b>Total Net Spendable Income:</b>  | <b>100%</b>               | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |
| 14. School/Child Care   | no guideline percentages  |             |             |             |             |             |

## Suggested Percentage Guidelines For Family Income

**(Married with No Children)**

| GROSS HOUSEHOLD INCOME:   | 25,000                           | 35,000 | 45,000 | 55,000 | 85,000 | 125,000 |
|---|----------------------------------|--------|--------|--------|--------|---------|
| <b>1. Tithe/Giving</b>  | 10%                              | 10%    | 10%    | 10%    | 10%    | 10%     |
| <b>2. Total Taxes</b>   | <b>Use Current Monthly Taxes</b> |        |        |        |        |         |
| <b>Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%</b> |                                  |        |        |        |        |         |
| <b>3. Housing</b>   | 40%                              | 36%    | 34%    | 32%    | 31%    | 30%     |
| <b>4. Food</b>  | 15%                              | 14%    | 13%    | 12%    | 11%    | 11%     |
| <b>5. Transportation</b>  | 15%                              | 14%    | 14%    | 13%    | 13%    | 13%     |
| <b>6. Insurance</b>   | 5%                               | 5%     | 5%     | 5%     | 5%     | 5%      |
| <b>7. Debts</b>   | 5%                               | 5%     | 5%     | 5%     | 5%     | 5%      |
| <b>8. Entertainment/Recreation</b>  | 3%                               | 4%     | 4%     | 5%     | 7%     | 7%      |
| <b>9. Clothing</b>  | 4%                               | 4%     | 5%     | 6%     | 6%     | 7%      |
| <b>10. Savings</b>  | 4%                               | 4%     | 4%     | 5%     | 5%     | 5%      |
| <b>11. Health &amp; Wellness</b>  | 6%                               | 6%     | 6%     | 6%     | 5%     | 5%      |
| <b>12. Miscellaneous</b>  | 3%                               | 4%     | 5%     | 6%     | 7%     | 7%      |
| <b>13. Investments</b>  | 0%                               | 4%     | 5%     | 5%     | 5%     | 5%      |
| <b>Total Net Spendable Income:</b>  | 100%                             | 100%   | 100%   | 100%   | 100%   | 100%    |
| <b>14. School/Child Care</b>  | no guideline percentages         |        |        |        |        |         |

## Suggested Percentage Guidelines For Individual Income

**(Single with 1 Child)**

| GROSS HOUSEHOLD INCOME:   | 25,000                    | 35,000      | 45,000      | 55,000      | 85,000      | 125,000     |
|---|---------------------------|-------------|-------------|-------------|-------------|-------------|
| 1. Tithe/Giving   | 10%                       | 10%         | 10%         | 10%         | 10%         | 10%         |
| 2. Total Taxes  | Use Current Monthly Taxes |             |             |             |             |             |
| <b>Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%</b> |                           |             |             |             |             |             |
| 3. Housing  | 40%                       | 39%         | 39%         | 36%         | 34%         | 30%         |
| 4. Food   | 15%                       | 14%         | 14%         | 13%         | 13%         | 12%         |
| 5. Transportation   | 15%                       | 14%         | 14%         | 13%         | 13%         | 12%         |
| 6. Insurance  | 3%                        | 3%          | 4%          | 4%          | 5%          | 5%          |
| 7. Debts  | 5%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| 8. Entertainment/Recreation   | 3%                        | 4%          | 4%          | 6%          | 6%          | 6%          |
| 9. Clothing   | 5%                        | 5%          | 5%          | 6%          | 7%          | 7%          |
| 10. Savings   | 5%                        | 5%          | 5%          | 5%          | 5%          | 5%          |
| 11. Health & Wellness   | 6%                        | 7%          | 6%          | 6%          | 6%          | 6%          |
| 12. Miscellaneous   | 3%                        | 4%          | 4%          | 6%          | 6%          | 6%          |
| 13. Investments   | 0%                        | 0%          | 0%          | 0%          | 0%          | 6%          |
| <b>Total Net Spendable Income:</b>  | <b>100%</b>               | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |
| 14. School/Child Care   | no guideline percentages  |             |             |             |             |             |

## Suggested Percentage Guidelines For Individual Income

**(Single with No Children / Living Alone)**

| GROSS HOUSEHOLD INCOME:   | 25,000                           | 35,000 | 45,000 | 55,000 | 85,000 | 125,000 |
|---|----------------------------------|--------|--------|--------|--------|---------|
| <b>1. Tithe/Giving</b>  | 10%                              | 10%    | 10%    | 10%    | 10%    | 10%     |
| <b>2. Total Taxes</b>   | <b>Use Current Monthly Taxes</b> |        |        |        |        |         |
| <b>Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%</b> |                                  |        |        |        |        |         |
| <b>3. Housing</b>   | 40%                              | 38%    | 36%    | 34%    | 32%    | 30%     |
| <b>4. Food</b>  | 6%                               | 6%     | 7%     | 7%     | 7%     | 7%      |
| <b>5. Transportation</b>  | 15%                              | 15%    | 14%    | 14%    | 13%    | 13%     |
| <b>6. Insurance</b>   | 4%                               | 4%     | 4%     | 5%     | 5%     | 5%      |
| <b>7. Debts</b>   | 5%                               | 5%     | 5%     | 5%     | 5%     | 5%      |
| <b>8. Entertainment/Recreation</b>  | 6%                               | 6%     | 7%     | 7%     | 8%     | 9%      |
| <b>9. Clothing</b>  | 5%                               | 6%     | 6%     | 7%     | 8%     | 8%      |
| <b>10. Savings</b>  | 5%                               | 5%     | 5%     | 5%     | 5%     | 5%      |
| <b>11. Health &amp; Wellness</b>  | 6%                               | 5%     | 5%     | 5%     | 4%     | 4%      |
| <b>12. Miscellaneous</b>  | 5%                               | 6%     | 6%     | 6%     | 7%     | 7%      |
| <b>13. Investments</b>  | 3%                               | 4%     | 5%     | 5%     | 6%     | 7%      |
| <b>Total Net Spendable Income:</b>  | 100%                             | 100%   | 100%   | 100%   | 100%   | 100%    |
| <b>14. School/Child Care</b>  | no guideline percentages         |        |        |        |        |         |

## Suggested Percentage Guidelines For Individual Income

**(Single with No Children / Living with Roommate)**

| GROSS HOUSEHOLD INCOME:   | 25,000                           | 35,000 | 45,000 | 55,000 | 85,000 | 125,000 |
|---|----------------------------------|--------|--------|--------|--------|---------|
| <b>1. Tithe/Giving</b>  | 10%                              | 10%    | 10%    | 10%    | 10%    | 10%     |
| <b>2. Total Taxes</b>   | <b>Use Current Monthly Taxes</b> |        |        |        |        |         |
| <b>Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%</b> |                                  |        |        |        |        |         |
| <b>3. Housing</b>   | 25%                              | 24%    | 23%    | 22%    | 21%    | 20%     |
| <b>4. Food</b>  | 6%                               | 6%     | 6%     | 7%     | 7%     | 7%      |
| <b>5. Transportation</b>  | 20%                              | 19%    | 18%    | 16%    | 15%    | 13%     |
| <b>6. Insurance</b>   | 4%                               | 4%     | 4%     | 5%     | 5%     | 5%      |
| <b>7. Debts</b>   | 5%                               | 5%     | 5%     | 5%     | 5%     | 5%      |
| <b>8. Entertainment/Recreation</b>  | 9%                               | 9%     | 9%     | 9%     | 10%    | 10%     |
| <b>9. Clothing</b>  | 7%                               | 7%     | 7%     | 7%     | 7%     | 8%      |
| <b>10. Savings</b>  | 8%                               | 8%     | 9%     | 10%    | 10%    | 10%     |
| <b>11. Health &amp; Wellness</b>  | 6%                               | 6%     | 6%     | 5%     | 5%     | 5%      |
| <b>12. Miscellaneous</b>  | 5%                               | 6%     | 6%     | 7%     | 7%     | 7%      |
| <b>13. Investments</b>  | 5%                               | 6%     | 7%     | 7%     | 8%     | 10%     |
| <b>Total Net Spendable Income:</b>  | 100%                             | 100%   | 100%   | 100%   | 100%   | 100%    |
| <b>14. School/Child Care</b>  | no guideline percentages         |        |        |        |        |         |

Revised Oct 29, 2022

## Percentage Spending Plan

|                                   |   |                                    |   |                |
|-----------------------------------|---|------------------------------------|---|----------------|
| <b>Gross Monthly Income</b>       |   | <i>from Current Spending Plan:</i> | <b>16,660</b>                             | <b>199,920</b> |
|                                   | Use appropriate % from "Percentage Guide" |                                    |   | Annual Income  |
| <b>Income Deductions</b>          | <b>Percentage</b>                         | <b>x</b>                           | <b>Gross Monthly Income</b>               | <b>=</b>       |
|                                   |   |                                    | <b>Guideline Amount</b>                   |                |
| 1. Tithe/Giving                   | 10.0%                                     | x                                  | 16,660                                    | <b>1,666</b>   |
| 1. Total Taxes                    | <i>no guideline</i>                       |                                    | <i>actual from Current Spending Plan:</i> | <b>1,000</b>   |
| <b>Net Spendable Income (NSI)</b> |   |                                    | <b>13,994</b>                             | <b>167,928</b> |

Annual NSI

| Expense Category  | Percentage          | x | Net Spendable Income | = | Guideline Amount |
|---|---------------------|---|----------------------|---|------------------|
| 3. Housing  | 39%                 | x | 13,994               | = | 5,458            |
| 4. Food   | 14%                 | x | 13,994               | = | 1,959            |
| 5. Transportation   | 14%                 | x | 13,994               | = | 1,959            |
| 6. Insurance  | 4%                  | x | 13,994               | = | 560              |
| 7. Debts  | 5%                  | x | 13,994               | = | 700              |
| 8. Entertainment/Recreation   | 4%                  | x | 13,994               | = | 560              |
| 9. Clothing   | 5%                  | x | 13,994               | = | 700              |
| 10. Savings   | 5%                  | x | 13,994               | = | 700              |
| 11. Health & Wellness   | 6%                  | x | 13,994               | = | 840              |
| 12. Miscellaneous   | 4%                  | x | 13,994               | = | 560              |
| 13. Investments   | 0%                  | x | 13,994               | = | -                |
| 14. School/Child Care   | <i>no guideline</i> |   |                      |   |                  |
| <b>Total Percentages: (cannot exceed 100%)</b>                        |                     |   | <b>100%</b>          |   |                  |
| <b>Total Guideline Expenses: (cannot exceed Net Spendable Income)</b> |                     |   |                      |   | <b>13,994</b>    |

OK

| Spending Plan | Current | Guideline | New Budget | Comments |
|---------------|---------|-----------|------------|----------|
|---------------|---------|-----------|------------|----------|

|  |  |  |  |
|--|--|--|--|
| <b>INCOME vs. EXPENSE SUMMARY (calculated)</b> |  |  |  |
|--|--|--|--|

|                      |        |  |        |
|----------------------|--------|--|--------|
| Net Spendable Income | 13,060 |  | 13,160 |
| Less Total Expenses  | 12,637 |  | 13,160 |
| Surplus or Deficit   | 423    |  | 0      |

|                       |  |  |  |
|-----------------------|--|--|--|
| <b>Monthly Income</b> |  |  |  |
|-----------------------|--|--|--|

|                             |               |  |               |
|-----------------------------|---------------|--|---------------|
| <b>Gross Monthly Income</b> | <b>16,660</b> |  | <b>16,660</b> |
| Monthly Salary              | 16,660        |  | 16,660        |
| Child Support               |               |  |               |
| Dividends                   |               |  |               |
| Commissions                 |               |  |               |
| Bonuses/Tips                |               |  |               |
| Retirement Income           |               |  |               |
| Net Business Income         |               |  |               |
| Other Income                |               |  |               |

|                                  |              |              |              |
|----------------------------------|--------------|--------------|--------------|
| LESS                             |              |              |              |
| <b>Category 1 - Tithe/Giving</b> | <b>2,600</b> | <b>1,666</b> | <b>2,600</b> |

|                  |       |  |       |
|------------------|-------|--|-------|
| The Local Church | 1,600 |  | 1,600 |
| The Poor         |       |  |       |
| Other Ministries | 800   |  | 800   |
| Other Giving     | 200   |  | 200   |

|                           |              |              |            |
|---------------------------|--------------|--------------|------------|
| <b>Category 2 - Taxes</b> | <b>1,000</b> | <b>1,000</b> | <b>900</b> |
|---------------------------|--------------|--------------|------------|

|   |       |  |     |
|---|-------|--|-----|
| Taxes (Fed, State, Medicare, Social Security) | 1,000 |  | 900 |
| Other   |       |  |     |

do not include medical/dental premiums, retirement plans, HSA/FSA contributions, charity contributions that are taken out of the paycheck. Instead, include these deductions as expenses below

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET SPENDABLE INCOME</b> | <b>13,060</b> | <b>13,994</b> | <b>13,160</b> |
|-----------------------------|---------------|---------------|---------------|

|                         |  |  |  |
|-------------------------|--|--|--|
| <b>Monthly Expenses</b> |  |  |  |
|-------------------------|--|--|--|

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>Category 3 - Housing</b> | <b>2,722</b> | <b>5,458</b> | <b>2,393</b> |
|-----------------------------|--------------|--------------|--------------|

|                                       |       |  |       |
|---------------------------------------|-------|--|-------|
| Mortgage(s) (from Debt List)          | 1,099 |  | 1,099 |
| Extra Mortgage Payment                |       |  |       |
| Rent                                  |       |  |       |
| Insurance (included in mortgage)      | 290   |  | 250   |
| Property Taxes (included in mortgage) | 297   |  | 297   |
| Electricity                           | 378   |  | 300   |
| Gas                                   | 50    |  | 45    |
| Water                                 | 49    |  | 40    |
| Sanitation                            | 32    |  | 32    |
| Telephone / Cell phone                | 156   |  | 100   |
| Maintenance                           | 134   |  | 100   |
| Internet / Cable Service              | 191   |  | 120   |
| Other                                 | 46    |  | 10    |

|                          |              |              |              |
|--------------------------|--------------|--------------|--------------|
| <b>Category 4 - Food</b> | <b>1,363</b> | <b>1,959</b> | <b>1,300</b> |
|--------------------------|--------------|--------------|--------------|

| Spending Plan                                      | Current      | Guideline    | New Budget   | Comments |
|--|--------------|--------------|--------------|----------|
| Grocery  | 1,363        |              | 1,300        |          |
| Other  |              |              |              |          |
| <b>Category 5 - Transportation</b>                 | <b>737</b>   | <b>1,959</b> | <b>685</b>   |          |
| Auto Payment(s) (from Debt List)                   |              |              |              |          |
| Extra Auto Payment                                 |              |              |              |          |
| Gas & Oil  | 324          |              | 300          |          |
| Auto Insurance                                     | 264          |              | 250          |          |
| Licenses & Taxes                                   | 15           |              | 15           |          |
| Maintenance  | 134          |              | 120          |          |
| Replacement  |              |              |              |          |
| Other - Tolls/Parking/Transit Fares                |              |              |              |          |
| <b>Category 6 - Insurance</b>                      | <b>385</b>   | <b>560</b>   | <b>385</b>   |          |
| Life   | 193          |              | 193          |          |
| Health/Dental                                      | 192          |              | 192          |          |
| Disability   |              |              |              |          |
| Other  |              |              |              |          |
| <b>Category 7 - Debts</b>                          | <b>0</b>     | <b>700</b>   | <b>0</b>     |          |
| Total Credit Cards (from Debt List)                |              |              |              |          |
| Total Other Debt (from Debt List)                  |              |              |              |          |
| Extra Debt Payments                                |              |              |              |          |
| <b>Category 8 - Entertainment &amp; Recreation</b> | <b>350</b>   | <b>560</b>   | <b>350</b>   |          |
| Eating Out / Lunches                               | 350          |              | 350          |          |
| Baby Sitters                                       |              |              |              |          |
| Activities / Trips                                 |              |              |              |          |
| Vacation   |              |              |              |          |
| Pets   |              |              |              |          |
| Hobbies and Sports                                 |              |              |              |          |
| Other  |              |              |              |          |
| <b>Category 9 - Clothing</b>                       | <b>400</b>   | <b>700</b>   | <b>300</b>   |          |
| Children's Clothing Needs                          |              |              |              |          |
| Husband/Wife Clothing Needs                        | 400          |              | 300          |          |
| Other  |              |              |              |          |
| <b>Category 10 - Savings</b>                       | <b>6,000</b> | <b>700</b>   | <b>7,000</b> |          |
| Savings Account                                    | 2,500        |              | 3,000        |          |
| Credit Union                                       | 2,500        |              | 3,000        |          |
| Other  | 1,000        |              | 1,000        |          |
| <b>Category 11 - Health &amp; Wellness</b>         | <b>140</b>   | <b>840</b>   | <b>150</b>   |          |
| Doctor   | 40           |              | 50           |          |
| Dentist  |              |              |              |          |
| Prescriptions                                      | 100          |              | 100          |          |
| Eye Glasses / Contacts                             |              |              |              |          |
| Other  |              |              |              |          |

| Spending Plan   | Current       | Guideline     | New Budget    | Comments |
|---|---------------|---------------|---------------|----------|
| <b>Category 12 - Miscellaneous</b>                    | <b>540</b>    | <b>560</b>    | <b>597</b>    |          |
| Toiletries / Cosmetics                                | 40            |               | 50            |          |
| Beauty / Barber                                       | 75            |               | 85            |          |
| Laundry / Cleaning                                    | 25            |               | 35            |          |
| Allowances  |               |               |               |          |
| Subscriptions   |               |               |               |          |
| Gifts (including Christmas)                           | 200           |               | 200           |          |
| Cash  | 200           |               | 200           |          |
| Other   |               |               | 27            |          |
| <b>Category 13 - Investments</b>                      | <b>0</b>      | <b>0</b>      | <b>0</b>      |          |
| Employer 401k/403b plans                              |               |               |               |          |
| Retirement IRAs                                       |               |               |               |          |
| College Funds   |               |               |               |          |
| Non-Retirement Stocks, Bonds, Mutual Funds            |               |               |               |          |
| Investment Real Estate                                |               |               |               |          |
| Other   |               |               |               |          |
| <b>Category 14 - School/Child Care <sup>(1)</sup></b> | <b>0</b>      | <b>0</b>      | <b>0</b>      |          |
| School Tuition  |               |               |               |          |
| School Books, Supplies, Materials, etc                |               |               |               |          |
| Transportation  |               |               |               |          |
| Day Care  |               |               |               |          |
| Tutoring, Lessons for Music, Dance, etc               |               |               |               |          |
| Other   |               |               |               |          |
| <b>Total Expenses</b>                                 | <b>12,637</b> | <b>13,994</b> | <b>13,160</b> |          |

(1) This category does not have a guideline amount.