

CASE STUDY C

Matthew and Sharon Thornton have been married for 6 years and have no children. Matthew is 30 years old and works for a gaming church. Matthew gets paid every two weeks, while Sharon gets paid twice a month. They are currently renting a home in suburban members in church and usually give what is left over each month, if anything. In addition to 2 vacations a year, Matthew enjoys purchase live on a budget gets weak when he's near a Best Buy or Office Depot.

They have two cars. One is a 7 year old Chevrolet Malibu worth about \$7,000 and the other is a 1 year old Chevrolet Camaro worth a still making a payment of \$490/month on the Camaro, which is financed at 4.7% with a loan balance of \$21,000. They pay their auto

They are both in good health so they have never seen the need for medical or disability insurance. Matthew's company provides a \$5,500 (gross) bonus to be paid next month. Matthew has been contributing to a 401k from each paycheck and its current balance is

Although they've stopped charging to their credit cards, they still owe about \$22,000 on them: \$7,800 to Discover at 23% interest, \$ the Raleigh Credit Union at 21.3% for a Mastercard. The minimum monthly payments are \$190 to Nations, \$160 to Discover and \$11

They turned to Crown for help, but they aren't good at filling out spreadsheets. Instead, they uploaded their pay statement and late

Your assignment: Using their statements and the background info above, input information as best you can in the Assets & Liabilities "Current" column in the Spending Plan sheet based on the information you have. Add any questions you would ask them and suggest You do NOT have to complete a New Budget for this client.

NOTE: This case study is an exercise to help coaches understand how clients should use their financial statements to complete Crown would not recommend that you use the client's paystubs and bank statements to fill out the forms for them, although how to do it. Our goal is that the clients learn how to manage their own finances through God's principles.

The questions below will be in the Assignment for Case Study C. They are listed here so you can be thinking about them

1. How would you help Matthew and Sharon realize the importance of putting God first in their finances?
2. What biblical principles and practical tools could help them get their discretionary spending under control?
3. For some categories such as giving, renter's insurance, auto maintenance, gifts and others, there doesn't appear to be any you ask the Thorntons to make sure everything is covered in the current spending column?
4. What additional information from the client would be helpful for your initial assessment?
5. What recommendations, if any, would you make around life insurance, health insurance and hobbies as they begin to pr
6. What recommendations would you discuss with them about Matthew's annual \$5,500 bonus?

Pay Statement - Sharon	January 1-15		Pay Statement - Matthew	Jan 6 - Jan 19	
Knightdale Methodist Church			New Worlds Gaming Co.		
Total Hours Worked	88.00		Total Hours Worked	122.00	
Total Pay	1,320.00		Imputed Income - Life Ins	12.00	
			Total Pay	1,900.00	
NC Withholding Tax	50.00				
Fed Withholding Tax	130.00		Employee Retirement 401k Contribution	114.00	
Fed EE Social Security	81.84		NC Withholding Tax	95.00	
Fed EE Medicare	19.14	280.98	Fed Withholding Tax	250.00	
			Fed EE Social Security	117.80	
Net Pay	1,039.02		Fed EE Medicare	27.55	490.35
			Net Pay	1,295.65	

Bank Statement - Checking		Withdrawal	Deposit	Balance
	Starting Balance			21759.56
1/1/2023	TYPE: PAYMENT ID: DISCOVER AUTOPAY	160.00		
1/2/2023	TYPE: CHECK 3256: JL PROPERTIES	1800.00		
1/4/2023	TYPE: PAYMENT ID: EASTERN RALEIGH WATER	67.78		
1/5/2023	TYPE: PAYMENT ID: WALMART 14453 KING ST	57.16		
1/7/2023	TYPE: PAYMENT ID: KROGER SOUTH HIGHLANDS	94.68		
1/8/2023	TYPE: PAYMENT ID: JOES TRASH SERVICE	42.10		
1/8/2023	TYPE: PAYMENT ID: CHEVRON 432093 LINCOLN ST	58.95		
1/10/2023	Withdrawal: ATM ALLPOINT GREENS SQUARE	120.00		
1/12/2023	TYPE: AUTOPAY ID: 5452329 CO: NATIONS VISA Entry Class Code: PPD	190.00		
1/12/2023	TYPE: PAYMENT ID: KROGER SOUTH HIGHLANDS	25.13		
1/13/2023	DIRECT DEPOSIT NW GAMING		1295.65	
1/16/2023	DIRECT DEPOSIT KUMC		1039.02	
1/17/2023	TYPE: PAYMENT ID: AMAZON MKTPLC	92.15		
1/18/2023	TYPE: PAYMENT ID: BEST BUY 10748 NORRIS PKWY	156.29		
1/18/2023	TYPE: PAYMENT ID: KROGER SOUTH HIGHLANDS	112.53		
1/19/2023	TYPE: PAYMENT ID: RIDGEWOOD ELECTRIC CO-OP	205.35		
1/20/2023	AIRBNB HMJXWEX2H2C AIRBNB.COM CA	352.78		
1/21/2023	TYPE: PAYMENT ID: DELTA AIRLINES 321002338	729.00		
1/22/2023	TYPE: PAYMENT ID: CHILIS RALEIGH HILLS NORTH	64.58		
1/22/2023	TYPE: PAYMENT ID: US POSTAL SVC #45694	13.92		
1/23/2023	TYPE: PAYMENT ID: BEST BUY 10748 NORRIS PKWY	89.76		
1/24/2023	TYPE: PAYMENT ID: CHIPOTLE AVIATION WY	34.29		
1/24/2023	TYPE: PAYMENT ID: KROGER SOUTH HIGHLANDS	156.48		
1/24/2023	EFT: STATEFARM AUTO RENEWAL 450128	567.64		94.61 Monthly
1/25/2023	TYPE: PAYMENT ID: BLAZE PIZZA #1302 46 TEAL HEIGHTS	27.55		
1/25/2023	TYPE: PAYMENT ID: MISTER CAR WASH HIRSTEAD NC	11.00		
1/26/2023	TYPE: PAYMENT ID: CHEVRON 432093 LINCOLN ST	62.47		
1/26/2023	TYPE: PAYMENT ID: KROGER SOUTH HIGHLANDS	84.33		
1/26/2023	TYPE: PAYMENT ID: RALEIGH ART MUSEUM	24.00		
1/26/2023	EFT: VERIZON MOBILE	121.99		
1/27/2023	EFT: XFINITY TV+DATA SPEED PKG	148.78		
1/27/2023	EFT: ANYTIME FITNESS CLUB	52.00		
1/27/2023	TYPE: PAYMENT ID: KOHLS EAST MILLBROOK	86.71		
1/27/2023	DIRECT DEPOSIT NW GAMING		1295.65	
1/28/2023	TYPE: PAYMENT ID: FELIX YARD SERVICE	120.00		
1/28/2023	TYPE: PAYMENT ID: OFFICE DEPOT 2993	45.12		
1/28/2023	TYPE: PAYMENT ID: HAIR PIZZAZ	154.86		
1/29/2023	TYPE: AUTOPAY ID: 5452329 CO: RALEIGH CREDIT UNION Entry Class Code: PPD	115.00		
1/29/2023	EFT: GM FINANCING	490.00		
1/31/2023	DIRECT DEPOSIT KUMC		1039.02	
	Ending Balance			19694.52
Bank Statement - Savings		Withdrawal	Deposit	Balance
	Starting Balance			14376.23
1/30/2023	Interest Earned 3.24%			40.97
	Ending Balance			14417.20

Assets & Liabilities	
Date:	1/31/23

Comments

ASSETS (Present Market Value)	Balance
Cash On Hand (both husband and wife if married)	
Checking Accounts	19,695.00
Savings Accounts	14,417.00
Stocks and Bonds	
Cash Value of Life Insurance	50,000.00
Valuable Collections (coins, stamps, etc.)	
Primary Home Value (look up value, e.g., zillow.com)	
Other Real Estate	
Mortgages/Notes Receivable	
Automobile 1 - Malibu	7,000.00
Automobile 2 - Camaro	34,000.00
Automobile 3	
Personal Property (Furniture, Jewelry, etc.)	
Retirement Savings (Matthew 401k)	63,000.00
College Savings	
Total Assets:	188,112.00

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
Discover		160.00	23.0%		7,800.00
NationsBank VISA		190.00	25.0%		9,300.00
Raleigh CU MC		115.00	21.3%		5,700.00
Total Credit Cards		465.00			22,800.00
AUTO LOANS					
Loan Company	Year, Make, Model	Payment	Interest Rate	Due	Balance Due
GM Financing	Camaro	490.00	4.7%		21,000.00
Total Auto Loans		490.00			21,000.00
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
N/A					
Total Home Mortgages		0.00			0.00
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
Total Other Debt		0.00			0.00

Total Liabilities/Debts	43,800.00
NET WORTH (Total Assets minus Total Liabilities/Debts)	144,312.00

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)

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					

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

3. Housing	38%	38%	34%	33%	32%	32%
4. Food	15%	15%	14%	14%	14%	14%
5. Transportation	14%	14%	12%	12%	11%	11%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	4%	4%	5%	5%	5%
9. Clothing	5%	5%	6%	6%	7%	7%
10. Savings	4%	4%	5%	5%	5%	5%
11. Health & Wellness	8%	7%	7%	7%	7%	7%
12. Miscellaneous	3%	3%	5%	5%	5%	5%
13. Investments	0%	0%	3%	3%	4%	4%
Total Net Spendable Income:	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					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
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%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%

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**

1. Tithe/Giving

10% 10% 10% 10% 10% 10%

2. Total Taxes

Use Current Monthly Taxes

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

3. Housing	40%	36%	34%	32%	31%	30%
4. Food	15%	14%	13%	12%	11%	11%
5. Transportation	15%	14%	14%	13%	13%	13%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	3%	4%	4%	5%	7%	7%
9. Clothing	4%	4%	5%	6%	6%	7%
10. Savings	4%	4%	4%	5%	5%	5%
11. Health & Wellness	6%	6%	6%	6%	5%	5%
12. Miscellaneous	3%	4%	5%	6%	7%	7%
13. Investments	0%	4%	5%	5%	5%	5%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%

14. School/Child Care

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					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
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%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
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
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	38%	36%	34%	32%	30%
4. Food	6%	6%	7%	7%	7%	7%
5. Transportation	15%	15%	14%	14%	13%	13%
6. Insurance	4%	4%	4%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	6%	6%	7%	7%	8%	9%
9. Clothing	5%	6%	6%	7%	8%	8%
10. Savings	5%	5%	5%	5%	5%	5%
11. Health & Wellness	6%	5%	5%	5%	4%	4%
12. Miscellaneous	5%	6%	6%	6%	7%	7%
13. Investments	3%	4%	5%	5%	6%	7%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	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
1. Tithe/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income:(Gross Income - Tithe/Giving - Total Taxes) percentages below add to 100%						
3. Housing	25%	24%	23%	22%	21%	20%
4. Food	6%	6%	6%	7%	7%	7%
5. Transportation	20%	19%	18%	16%	15%	13%
6. Insurance	4%	4%	4%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	9%	9%	9%	9%	10%	10%
9. Clothing	7%	7%	7%	7%	7%	8%
10. Savings	8%	8%	9%	10%	10%	10%
11. Health & Wellness	6%	6%	6%	5%	5%	5%
12. Miscellaneous	5%	6%	6%	7%	7%	7%
13. Investments	5%	6%	7%	7%	8%	10%
Total Net Spendable Income:	100%	100%	100%	100%	100%	100%
14. School/Child Care	no guideline percentages					

Revised Oct 29, 2022

Percentage Spending Plan

Gross Monthly Income		<i>from Current Spending Plan:</i>	6,440	77,280
	Input appropriate % from "Percentage Guide"			Annual Income
Income Deductions	Percentage	x	Gross Monthly Income	=
			Guideline Amount	
1. Tithe/Giving	10%	x	6,440	=
2. Total Taxes	<i>no guideline</i>		<i>actual from Current Spending Plan:</i>	=
			644	
			1,542	
Net Spendable Income (NSI)			4,254	51,048
				Annual NSI

Expense Category	Percentage	x	Net Spendable Income	=	Guideline Amount
3. Housing	32%	x	4,254	=	1,361
4. Food	12%	x	4,254	=	510
5. Transportation	13%	x	4,254	=	553
6. Insurance	5%	x	4,254	=	213
7. Debts	5%	x	4,254	=	213
8. Entertainment/Recreation	5%	x	4,254	=	213
9. Clothing	6%	x	4,254	=	255
10. Savings	5%	x	4,254	=	213
11. Health & Wellness	6%	x	4,254	=	255
12. Miscellaneous	6%	x	4,254	=	255
13. Investments	5%	x	4,254	=	213
14. School/Child Care	<i>no guideline</i>				
Total Percentages: (cannot exceed 100%)			100%		
Total Guideline Expenses: (cannot exceed Net Spendable Income)					4,254

Annual NSI

OK

Revised Oct 29, 2022

Spending Plan	Current	Guideline	New Budget	Comments
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INCOME vs. EXPENSE SUMMARY (calculated)			
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Net Spendable Income	4,898		0	
Less Total Expenses	6,962		955	
Surplus or Deficit	(2,064)		(955)	

Monthly Income			
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Gross Monthly Income	6,440		0	
Matthew's Income	3,800			Matthew additional \$5500 next month-what to do with this?
Sharon's Income	2,640			
Interest Income				
Dividends				
Commissions				
Bonuses/Tips				
Retirement Income				
Net Business Income				
Other Income				
LESS				
Category 1 - Tithe/Giving (monthly)	0	644	0	Need to start - first fruits
The Local Church				None in this month
The Poor				
Other Ministries				
Other Giving				
Category 2 - Taxes (monthly)	1,542	1,542	0	
Taxes (Fed, State, Medicare, Social Security)	1,542			
Other				
<i>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</i>				
NET SPENDABLE INCOME (monthly)	4,898	4,254	0	

Monthly Expenses			
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Category 3 - Housing (monthly)	2,506	1,361	0	
Mortgage(s) (from Debt List)	0		0	High, where can you cut expenses?
Extra Mortgage Payment				
Rent	1,800			
Insurance				
Property Taxes				
Electricity	205			
Gas				
Water	68			
Sanitation	42			
Telephone / Cell phone	122			
Maintenance	120			
Internet / Cable Service	149			
Other				

Spending Plan	Current	Guideline	New Budget	Comments
Category 4 - Food (monthly)	530	510	0	
Grocery	530			
Other				
Category 5 - Transportation (monthly)	1,190	553	490	
Auto Payment(s) (from Debt List)	490		490	
Gas & Oil	121			
Auto Insurance	568			\$95 per month, if properly budgeted
Licenses & Taxes				
Maintenance	11			
Replacement				
Other - Tolls/Parking/Transit Fares				
Category 6 - Insurance (monthly)	0	213	0	
Life	0			
Health/Dental	0			
Disability	0			
Other	0			
Category 7 - Debts (monthly)	465	213	465	
Total Credit Cards (from Debt List)	465		465	Working on paying down; no additional being accumulated
Total Other Debt (from Debt List)	0		0	
Extra Debt Payments				
Category 8 - Entertainment & Recreation (monthly)	1,771	213	0	Too high!!
Eating Out / Lunches	127			
Baby Sitters				
Activities / Trips				
Vacation	1,082			
Pets				
Hobbies and Sports	383			
Other	179			
Category 9 - Clothing (monthly)	87	255	0	
Children's Clothing Needs				
Husband/Wife Clothing Needs				
Other	87			
Category 10 - Savings (monthly)	0	213	0	Need to start saving
Savings Account	0			
Credit Union				
Other				
Category 11 - Health & Wellness (monthly)	52	255	0	
Doctor				
Dentist				
Prescriptions				
Eye Glasses / Contacts				

Spending Plan	Current	Guideline	New Budget	Comments
HSA or FSA Contributions				
Fitness Club	52			
Other				
Category 12 - Miscellaneous (monthly)	134	255	0	
Toiletries / Cosmetics				
Beauty / Barber				
Laundry / Cleaning				
Allowances				
Subscriptions				
Gifts (including Christmas)				
Cash	120			
Other	14			
Category 13 - Investments (monthly)	228	213	0	
Employer 401k/403b plans	228			Good
Retirement IRAs				
College Funds				
Non-Retirement Stocks, Bonds, Mutual Funds				
Investment Real Estate				
Other				
Category 14 - School/Child Care (monthly) (1)	0		0	
School Tuition	0			
School Books, Supplies, Materials, etc				
Transportation				
Day Care				
Tutoring, Lessons for Music, Dance, etc				
Other				
Total Expenses	6,962	4,254	955	

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