

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 company. Sharon is 28 years old and works at the church. Matthew gets paid every two weeks, while Sharon gets paid twice a month. They are currently renting a home in suburban North Carolina from JL Properties. Both are active members in church and usually give what is left over each month, if anything. In addition to 2 vacations a year, Matthew enjoys purchasing the latest electronic devices. His resolve to 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 about 34,000. The Malibu is paid off, but they are 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 insurance premium every 6 months.

They are both in good health so they have never seen the need for medical or disability insurance. Matthew's company provides a \$50,000 life insurance policy. Matthew is expecting 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 \$63,000.

Although they've stopped charging to their credit cards, they still owe about \$22,000 on them: \$7,800 to Discover at 23% interest, \$9,300 to Nations Bank Visa at 25% and \$5,700 to the Raleigh Credit Union at 21.3% for a Mastercard. The minimum monthly payments are \$190 to Nations, \$160 to Discover and \$115 to the Credit Union.

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

Your assignment: Using their statements and the background info above, input information as best you can in the Assets & Liabilities sheet and the 30 day tracker. Complete the "Current" column in the Spending Plan sheet based on the information you have. Add any questions you would ask them and suggestions you would make in the "Comments" columns. 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 their forms. In a real coaching situation, Crown would not recommend that you use the client's paystubs and bank statements to fill out the forms for them, although you can certainly help them and show them 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 as you review the forms in this spreadsheet.

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 spending in January. What questions would you ask the Thorntons to make sure everything is covered in the current spending column?
4. What key information that you would need to do your initial assessment is missing?
5. What recommendations, if any, would you make around life insurance, health insurance and hobbies as they begin to prepare a new budget?
6. What recommendations would you discuss with them about Matthew's annual \$5,500 bonus?

Pay Statement - Sharon	January 1-15		Pay Statement - Matthew	Dec 29 - Jan 12
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		Fed Withholding Tax	250.00
			Fed EE Social Security	117.80
Net Pay	1,039.02		Fed EE Medicare	27.55
			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		
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

30 Day Tracker																	
Month:	March	Year:	2024														This Month
Category	INCOME	TITHE/ GIVING	TAXES	HOUSING	FOOD	TRANSPORT	INSURANCE	DEBTS	ENTERTAINMENT RECREATION	CLOTHING	SAVINGS	HEALTH & WELLNESS	MISC.	INVESTMENTS	SCHOOL/ CHILD CARE	TOTAL EXPENSES	SURPLUS / DEFICIT
Date																	
1								160.00								160	
2				1,800.00												1,800	
3																0	
4				67.78												68	
5													57.16			57	
6																0	
7					94.68											95	
8				42.10		58.95										101	
9																0	
10													120.00			120	
11									0.00							0	
12					25.13			190.00								215	
13	1,900.00		490.00											114.00		604	
14	1,320.00		280.00													280	
15																0	
16																0	
17													92.15			92	
18									156.29							156	
19				205.35												205	
20									352.78							353	
21									729.00							729	
22									64.58				13.92			79	
23									89.76							90	
24					156.48	567.64			34.29							758	
25						11.00			27.55							39	
26				121.99	84.33	62.47			24.00							293	
27	1,900.00		490.00	148.78						86.71		52.00		114.00		891	
28				120.00									45.12			165	
29								115.00					154.86			270	
30	40.97							490.00			40.97					531	
31	1,320.00		280.00													280	
This month	6,481	0	1,540	2,506	361	700	0	955	1,478	87	41	52	483	228	0	8,431	(1,950)

Form Version Aug 6, 2023

Assets & Liabilities

Date: _____

ASSETS (Present Market Value)

Cash On Hand (both husband and wife if married)
 Checking Accounts
 Savings Accounts
 Stocks and Bonds
 Cash Value of Life Insurance

 Valuable Collections (coins, stamps, etc.)
 Primary Home Value (look up value, e.g., zillow.com)
 Other Real Estate
 Mortgages/Notes Receivable
 Automobile 1 - 7 year old Chevy Malibu
 Automobile 2 - 1 year old Chevy Camaro
 Automobile 3 (look up value, e.g., kbb.com)
 Personal Property (Furniture, Jewelry, etc.)
 Retirement Savings (Matthew 401k)
 College Savings

Total Assets:

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
Discover		160.00	23.0%	
Nations Bank Visa		190.00	25.0%	
Raleigh Credit Union Masteercard		115.00	21.3%	
Total Credit Cards		465.00		

AUTO LOANS

Loan Company	Year, Make, Model	Payment	Interest Rate	Due
Automobile 2 - 1 year old Chevy Camaro	22 Chev Camaro	490.00	4.7%	
Total Auto Loans		490.00		

HOME MORTGAGES (includes home equity loans or lines of credit)

Mortgage Service Company	Property Address	Minimum Monthly Payment	Interest Rate	Months Past Due
Total Home Mortgages		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

Total Other Debt			0.00	

Total Liabilities/Debts	
NET WORTH (Total Assets minus Total Liabilities/Debts)	

	Comments
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Balance	
19,694.52	
14,417.20	What is purpose of keeping all this cash on hand when you have credit card debt at high interest rates?
	I highly encourage you to use this cash to payoff your cc debt immediately.
	Your savings is 3.24% while your debt is over 21%.
7,000.00	
34,000.00	
6,300.00	
81,411.72	

Balance Due	
7,800.00	What is the minimum payment per month?
9,300.00	
5,700.00	
22,800.00	

Balance Due	
21,000.00	consider selling this vehicle and purchasing a cheaper used one.
21,000.00	

Balance Due	
0.00	

Balance Due	
	Do you have school debt or other consumer debt not mentioned?

Instructions:
 1. Find the family situation that most closely represents your family (i.e. Married with 4 children, Single with 2 children, etc.)
 2. Find the gross income level that most closely represents your family (i.e. \$25,000 to \$25,000, \$25,000 to \$50,000, etc.)
 3. Treat exclude all current and recurring 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	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	30%	30%	30%	30%	30%	30%
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	2%	4%	4%	5%	5%	5%
9. Clothing	5%	5%	6%	6%	7%	7%
10. Savings	4%	4%	5%	5%	5%	5%
11. Health & Wellness	6%	7%	7%	7%	7%	7%
12. Miscellaneous	2%	2%	5%	5%	5%	5%
13. Investments	0%	0%	2%	2%	4%	4%
Total Net Spendable Income	100%	100%	100%	100%	100%	100%

U.S. School/Child Care no guideline percentages

Suggested Percentage Guidelines For Family Income

Married with 3 Children:

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	25%	25%	22%	20%	20%	20%
4. Food	15%	12%	12%	12%	11%	11%
5. Transportation	15%	12%	12%	14%	12%	12%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	2%	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%

U.S. 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	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	35%	34%	27%	21%	20%
4. Food	15%	14%	12%	12%	11%	11%
5. Transportation	15%	14%	14%	12%	12%	12%
6. Insurance	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	2%	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	2%	4%	5%	6%	7%	7%
13. Investments	0%	4%	5%	5%	5%	5%
Total Net Spendable Income	100%	100%	100%	100%	100%	100%

U.S. School/Child Care no guideline percentages

Suggested Percentage Guidelines For Individual Income

Single with No Children / Living with Parents:

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	35%	34%	27%	21%	20%
4. Food	15%	14%	14%	12%	12%	12%
5. Transportation	15%	14%	14%	12%	12%	12%
6. Insurance	2%	2%	4%	4%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%
8. Entertainment/Recreation	2%	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	2%	4%	6%	6%	6%	6%
13. Investments	0%	5%	5%	5%	5%	5%
Total Net Spendable Income	100%	100%	100%	100%	100%	100%

U.S. School/Child Care no guideline percentages

Suggested Percentage Guidelines For Individual Income

Single with No Children / Living with Parents:

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	40%	35%	34%	27%	21%	20%
4. Food	6%	6%	7%	7%	7%	7%
5. Transportation	12%	12%	14%	14%	12%	12%
6. Insurance	4%	4%	4%	5%	5%	5%
7. Debts	2%	2%	2%	2%	2%	2%
8. Entertainment/Recreation	6%	6%	7%	7%	6%	6%
9. Clothing	5%	5%	6%	7%	6%	6%
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	2%	4%	5%	5%	6%	7%
Total Net Spendable Income	100%	100%	100%	100%	100%	100%

U.S. School/Child Care no guideline percentages

Suggested Percentage Guidelines For Individual Income

Single with No Children / Living with Parents:

GROSS HOUSEHOLD INCOME:	25,000	35,000	45,000	55,000	65,000	125,000
1. Take/Giving	10%	10%	10%	10%	10%	10%
2. Total Taxes	Use Current Monthly Taxes					
Net Spendable Income (Gross Income - Take/Giving - Total Taxes) percentages below add to 100%						
3. Housing	20%	24%	22%	22%	22%	20%
4. Food	6%	6%	6%	7%	7%	7%
5. Transportation	20%	18%	18%	18%	18%	17%
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%

U.S. School/Child Care no guideline percentages

Percentage Spending Plan					
Gross Monthly Income			from Current Spending Plan:	6,798	81,572 Annual Income
	Input appropriate % from "Percentage Guide"				
Income Deductions	Percentage	x	Gross Monthly Income	=	Guideline Amount
1. Tithing/Giving	10%	x	6,798	=	680
2. Total Taxes	no guideline		actual from Current Spending Plan:		1,822
Net Spendable Income (NSI)					4,496
					53,950 Annual NSI

Expense Category	Percentage	x	Net Spendable Income	=	Guideline Amount
3. Housing	31%	x	4,496	=	1,394
4. Food	11%	x	4,496	=	495
5. Transportation	13%	x	4,496	=	584
6. Insurance	5%	x	4,496	=	225
7. Debts	5%	x	4,496	=	225
8. Entertainment/Recreation	7%	x	4,496	=	315
9. Clothing	6%	x	4,496	=	270
10. Savings	5%	x	4,496	=	225
11. Health & Wellness	5%	x	4,496	=	225
12. Miscellaneous	7%	x	4,496	=	315
13. Investments	5%	x	4,496	=	225
14. School/Child Care	no guideline				
Total Percentages: (cannot exceed 100%)	100%				
Total Guideline Expenses: (cannot exceed Net Spendable Income)					4,496 OK

Revised Oct 29, 2022

Other - Tolls/Parking/Transit Fares				Do you ever have tolls or parking expenses?
Category 6 - Insurance (monthly)	0	225	0	
Life				use calculator to determine amount of life ins needed
Health/Dental				They need health insurance. Check into employer benefits or MediShare by Christian Healthcare Ministries
Disability				They need disability insurance. More likely to be disabled then die.
Other				
Category 7 - Debts (monthly)	465	225	465	
Total Credit Cards (from Debt List)	465		465	
Total Other Debt (from Debt List)	0		0	
Extra Debt Payments				Use checking and savings to pay off cc debt immediately. Will immediately improve cash flow.
Category 8 - Entertainment & Recreation (monthly)	575	315	0	
Eating Out / Lunches	126			Is this a typical month of eating out expense?
Baby Sitters				
Activities / Trips	22			what types of activities do you plan to do
Vacation	180			what other expense do you normally incurr when on vacation?
Pets				\$180 is 1/6 of Delta tickets and AirBnB
Hobbies and Sports	246			Please confirm what these exp were. If hobby is it typical?
Other				
Category 9 - Clothing (monthly)	87	270	0	
Children's Clothing Needs				
Husband/Wife Clothing Needs	87			What do you typically spend over a year for clothes?
Other				This seems low.
Category 10 - Savings (monthly)	41	225	0	
Savings Account	41			This would be reduced if you use funds to payoff debt.
Credit Union				How do you feel about a regular savings plan?
Other				
Category 11 - Health & Wellness (monthly)	52	225	0	
Doctor				Do plan on having children? You really should have health insurance coverage.
Dentist				do you ever go to dentist for cleaning or checkups? You should be.
Prescriptions				
Eye Glasses / Contacts				
HSA or FSA Contributions				does your employer offer a '.HSA or FSA option?
Fitness Club	52			
Other				
Category 12 - Miscellaneous (monthly)	483	315	0	
Toiletries / Cosmetics				On average how much do you spend on toiletries and cosmetics?
Beauty / Barber	155			How often do you get your hair done/cut?
Laundry / Cleaning				what is typical laundry expense?
Allowances				
Subscriptions				do you have any subscriptions?
Gifts (including Christmas)				what is your typical expenditures for gifts in a year?
Cash	120			how often do you get cash out and what do you use it for?
Other	208			this was unclear what these items were for. They may need to be in other areas.
Category 13 - Investments (monthly)	247	225	0	
Employer 401k/403b plans	247			is there a match for 401k program?
Retirement IRAs	0			
College Funds				
Non-Retirement Stocks, Bonds, Mutual Funds				
Investment Real Estate				
Other				
Category 14 - School/Child Care (monthly) (1)	0		0	
School Tuition				
School Books, Supplies, Materials, etc				
Transportation				
Day Care				

tutoring, Lessons for Music, Dance, etc			
Other			
Total Expenses	5,533	4,496	955

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

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