

# Budget toolkit



Together we'll go far



# How to use this toolkit

You can use this toolkit to find ways to save money and reduce spending to achieve your financial goals. To get started, complete the worksheets provided. You will use this information to list the changes you want to make, and identify your financial goals and timelines. To help get you started, we've provided some examples below as a guide.

## Financial goals worksheet

	Financial goal	Timeline	Funds needed
0	(Example: I plan to build an emergency fund)	(One year)	(At least \$2,000)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

## How to reach my financial goals

	Activity	Action	Timeline
0	(Example: Dining out)	(Bring coupons)	(Effective immediately)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

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# My budget worksheet

## Monthly income (after taxes)

Income/salary from all sources	
Investment income	
Dividends, interest, capital gains	
Other income	
<b>Total monthly income</b>	

## Monthly savings

General (include emergency/rainy day fund)	
College/other education	
Retirement	
Other (i.e., house down payment)	
<b>Total monthly savings</b>	

## Monthly expenses

### Home

Mortgage/rent/HOA	
Housecleaning/landscaping	
Electricity/gas	
Water/trash/recycling	
Home phone	
Mobile phone	
Cable/Internet access	
Security	
<b>Total home</b>	

### Personal

New clothes	
Dry cleaning/laundry	
Barbershop/salon	
Hobbies	
Charitable donations (cash)	
Child care	
Pets	
<b>Total personal</b>	

### Food

Groceries	
Dining/take out	
<b>Total food</b>	

### Auto/transportation

Car loan/lease	
Car insurance	
Maintenance	
Public transit	
Parking	
Gasoline	
<b>Total auto/transportation</b>	

### Debt category

Credit cards	
Other loans/lines	
<b>Total other</b>	

### Health

Toiletries	
Cosmetics	
Pharmacy	
Health club	
Medical/dental	
<b>Total health</b>	

### Entertainment/recreation

Movies/shows	
Vacation	
Parties/gifts	
Subscriptions	
Memberships (art, music)	
<b>Total entertainment and recreation</b>	

### Education

Tuition	
Books	
Student loans	
<b>Total education</b>	

**Total monthly expenses**

Total monthly income	
- Total monthly expenses	
<b>= Net cash flow</b>	

# Budget tips

To make your monthly income last, consider using it in the following sequence:

1. Pay your monthly bills. There are many potential penalties if you pay late, such as late fees, losing possession of things you've bought on credit, even being evicted from an apartment.
  2. Set aside the money you'll need for your weekly and day-to-day expenses, like groceries and bus fare.
  3. Put money into savings. Try to build two months of take-home pay for an unexpected financial emergency.
  4. Set aside money for larger expenses you know are coming, such as car repairs or appliances.
  5. Set aside money for future goals whether it's a home, college for your children, a new car, or travel.
- If possible, try to stretch your bills out evenly over the month, so that you pay about the same amount each week. For regular monthly bills, you may be able to request a change of a bill's due date to spread out your bills evenly. Try to avoid having one week when all of your cash-on-hand is needed for bills.
  - For large expenses that are not monthly (for example, insurance bills, car repairs, holiday gifts, etc.) place an amount of money aside each week or pay period so that you have money to pay the bills when they are due.
  - Here are some guidelines to consider for how much of your take-home monthly income you might budget for various expenses:
    - Housing (rent or mortgage): 20 to 35%
    - Utilities (gas, electric, water, trash, telephone): 4 to 7%
    - Food (at home and away): 15 to 30%
    - Family necessities (laundry, toiletries, hair care): 2 to 4%
    - Medical (insurance, prescriptions, bills): 2 to 8%
    - Clothing: 3 to 10%
    - Transportation (car payment, gas, insurance, repairs, or bus fare): 6 to 30%
    - Entertainment: 2 to 6%
    - Savings: 10 to 15%
  - Try to limit your installment debts (car loans, credit card bills, other loans) to 10 – 20% of your monthly budget.
  - To decide whether a purchase is necessary, ask yourself these questions:
    - Do I really need it?
    - Do I really need it today? What would happen if I don't buy it now?
    - Can I spend less to meet this need?
  - Always review your bank and credit card statements. It will remind you where your money is going.

[Need help deciding where to start?](#)

[We're here to help.](#)

Call to schedule a savings or credit conversation with a Wells Fargo Financial Health Banker at **1-844-484-4257**, Monday through Saturday, from 8:00 a.m. to 6:00 p.m. Central Time.

For further resources to help you with your financial goals, visit our website at [wellsfargo.com/financial-education](https://wellsfargo.com/financial-education) or any Wells Fargo branch.

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