

Eight Easy Exercises for Financial Fitness

Plan Your Spending



A spending plan puts you in charge of your money.
It will help you reach your financial goals.

These exercises will help you make a
spending plan that works for you.

Exercise 1

Fixed Spending

Write down amounts you spend each month on each of the following:

- **Savings (Pay Yourself First)** _____
- **Rent/Mortgage** _____
- **Utilities**
 - Electricity _____
 - Gas/Propane/Oil _____
 - Internet _____
 - Phone _____
 - Trash _____
 - Water _____
 - Other _____
- **Child Care/Child Support** _____
- **Insurance (if paid monthly)** _____
- Type _____
- _____
- _____
- **Car Payment** _____
- **Other** _____
- **Debt Payments** _____
- _____
- _____
- _____
- TOTAL (A)** _____

Exercise 2

Flexible Spending

Write down the amount you think you spend each month on each flexible expense.

- **Food**
 - at home _____
 - away from home _____
 - **Household operations** (cleaning supplies, paper products, etc.) _____
 - **Phone** _____
 - **Transportation**
 - gas/bus/taxi _____
 - repairs _____
 - **Medications/Medical** _____
 - **Clothing**
 - purchases _____
 - care (laundry/dry cleaning) _____
 - **Personal Care** _____
 - **Allowances for self/children** _____
 - **Entertainment** _____
 - **Pets** _____
 - **Other** _____
 - **Other** _____
- TOTAL (B)** _____

Exercise 3 (p. 3-4)

OCCASIONAL

	ITEM	Jan.	Feb.	March	Apr.	May
Automobile	License					
	Inspection					
	Oil Change/Maintenance					
	Insurance (if not monthly)					
Home	Repairs/Maintenance/Yard					
	Insurance (Home Owner's/Renter's)					
	Furnishings					
Holidays/Birthdays	Gifts/Cards					
Vacation	Travel					
Entertainment	Entertaining/Parties					
Medical	Doctor Visits					
	Dental					
	Prescriptions					
	Vision					
School	Fees/Tuition					
	Supplies/Books					
	Class Trips/Pictures/etc.					
Dues/Subscription	Magazines/Papers					
	CDs, Book clubs					
	Memberships/Clubs					
Clothes/Shoes	Children					
	Adults					
Other						
Other						
Total						

Exercise 4

Set Aside for Emergencies

An emergency fund can reduce stress if something completely unexpected happens:

- your income decreases
- you have an accident or illness
- your car breaks down

What emergencies could happen in your life?

- _____
- _____
- _____

How much money do you need in your emergency fund?

- 1 month's basic expenses _____
- 1 – 3 month's rent plus other basic expenses _____

How much can you set aside each month for emergencies?

(D) _____

Exercise 5

Set Aside for Things You Want

Think about your financial goals. Be specific and set a date you want to reach each one so you will know how much money you must save each month. Choose goals you can accomplish without being frustrated. You will enjoy a feeling of accomplishment as you reach them.

For example, if in **three to six months** you want to:

- pay off \$300 in credit card debt,
- save \$250 for tuition for a class, or
- buy three tickets to an amusement park

and in **six months to one year**, you want to:

- save \$1,000 for a down payment on a used car, or
- save \$600 for a vacation with your family,

you might want to make a chart like the one below to start saving for goals. Fill in the chart with your personal financial goals.

Your Personal Financial Goals	Target Date	Number of Months to Date	Total Needed	\$ to Save Monthly
1				
2				
3				
4				
5				
Total Monthly Savings Needed (E)				

Exercise 6

Add Up Take Home Income

(After Taxes)

Income earned each month:

- Wages _____
- Tips _____

Total Earned (a) _____

Other monthly income:

- Child Support _____
- Social Security _____
- Unemployment _____
- Food Assistance _____
- Cash Assistance _____
- Gifts _____
- Alimony _____
- Interest _____
- Other _____

Total Other (b) _____

Total Income F (a + b) _____

Exercise 7

Balance the Bottom Line

Income: (F p. 8) _____

Expenses:

\$ fixed (A p. 2) _____

\$ flexible (B p. 3) _____

\$ occasional (C p. 4) _____

\$ emergencies (D p. 6) _____

\$ goals (E p. 7) _____

Total: _____

Difference: _____

Do your income and expenses match?
Do you need to make changes to make your spending plan work?

Making the Spending Plan Balance

- Increase Income
- Reduce Expenses
- Catch Spending Leaks
- Sign up for the Earned Income Credit and/or Child Tax Credit
- Consider Gifts from Family
- Barter for Services

Exercise 8

Take Action

Once you have a beginning plan, you can use it to help you on the road to financial fitness.

To become financially fit, I will start with the following actions:

- 1 _____
- 2 _____
- 3 _____

You may want to use one of the following Ohio State University Extension resources to help you. They may be available from your local OSU Extension office.

- Counting Your Money Calendar, HEMG001
- Budget-in-a-Box Envelope Set, HEMG003
- Budget-in-a-Box Tip Sheets, HEMG004
- In Over Your Head: Life Saving Strategies for Financial Crisis, Bulletin 891

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