

Budgeting Steps & Tips





A NON-PROFIT ORGANIZATION

Welcome to Navicore Solutions! Enclosed is a program that will help you achieve financial stability.

The information provided here will allow you to set goals for the future, understand where you are right now, and help you make changes in your situation to meet the goals you set. This can be the key to your financial stability and success!

Once you have completed the worksheets, you will be on your way to establishing a budget that suits your needs. A successful budget takes time and patience, yet it has many rewards. Follow the steps carefully, and remember we are here to help you along the way. Our counselors can help you by taking a more in-depth look at your situation and giving you suggestions that may be of further assistance to you.

Navicore Solutions is a non-profit social service agency that provides education workshops, budget counseling, housing counseling, bankruptcy counseling, bankruptcy education, student loan counseling, and credit counseling services. Navicore Solutions is licensed by the New Jersey Department of Banking and a member in good standing of the Better Business Bureau. Our agency is also a member of the National Foundation for Credit Counseling, and all of our counselors are certified.

If you have any questions, contact us at 1-800-99-BILLS.

WHERE DO YOU WANT TO BE?

A budget can help you meet your goals in life! Your goals might include buying a home, paying for college, saving for a vacation, or simply paying all of your bills on time each month. Setting your goals will help you make sure that all of your wants and needs are included in your budget.

Let's begin by setting some goals!

Your goals should be **SMART**:

- S**pecific
- M**easurable
- A**ttainable
- R**elevant
- T**ime Related

Remember that some goals are short term (like purchasing a great new pair of shoes) and some might be long term (like buying a home). Following this example, use the chart below to list your personal goals. We started you out with purchasing a car, since most people will need to buy one sometime in the future. Even if you just bought a car, you can plan for your next purchase.

Don't forget to include an emergency fund and revolving savings account. You're unlikely to be able to reach your other goals without them.

EMERGENCY FUND

An emergency fund is where you set money aside each month to pay for unexpected expenses. These can be small things, like an unanticipated medical bill, or a major expense, like replacing your income if you lose your job. Consider it just as any other expense in your budget, and make sure to set money aside each payday. You can jumpstart your emergency fund using a holiday gift or tax refund.

REVOLVING SAVINGS

Another important part of your budget is a revolving savings account. This is an account where you can set aside money for non-monthly expenses. For example, if your car insurance is \$300 quarterly, you can set aside \$100/month in your revolving savings account so you know you'll have the money for your insurance when it comes due. This type of an account can also be used for car repairs, gifts, or vacations.

Other common goals are getting out of debt, saving for retirement, purchasing your next car, buying a home, or paying for college. In order to achieve your goals, you'll have to determine where you are right now and the steps you'll need to take to reach your goals.

GOAL	WHEN?	COST?	COST PER MONTH	COST PER PAYCHECK
<i>Purchase Car</i>	<i>5 years</i>	<i>\$20,000</i>	<i>\$334</i>	<i>\$167</i>
TOTAL				



Transfer the total you want to save each month to the **SAVINGS FOR GOALS** box in the budget on **PAGE 5**.



WHERE ARE YOU NOW?

STEP 1: You may need to gather some figures. Pull together your pay stubs, credit card statements, mortgage statements, and any other monthly bills so that you can refer to them when completing the worksheets.

STEP 2: In order to get a better idea of where your money is going, you may want to track your expenses. We can provide you with a tracking booklet, where you can write down everything you spend money on each day. You might surprise yourself with some of your spending habits! Do this for at least a month.

STEP 3: List all of your monthly expenses using the chart on page 5. ****NOTE:** Don't forget to include non-monthly expenses. Just add up the total expense for the year and divide by 12.

STEP 4: Figure out your net monthly income. Your net monthly income is what you have left over after all deductions. If you're self employed and need assistance figuring out what your net income is, we can help you.

TRANSFER THIS NUMBER TO THE BOX FOR MONTHLY INCOME ON PAGE 6.



Your Expenses

HOUSING		
Rent/Mortgage	\$	Interest Rate %
Second Mortgage	\$	Interest Rate %
Taxes/Insurance	\$	
Other:	\$	
UTILITIES		
Electric	\$	
Gas/Oil	\$	
Water/Sewer	\$	
Home Phone	\$	
Cable/Satellite	\$	
Internet	\$	
Cell Phone	\$	
Other:	\$	
TRANSPORTATION		
Car Loan/Lease	\$	Interest Rate %
Car Loan/Lease	\$	Interest Rate %
Gasoline	\$	
Maintenance	\$	
Auto Insurance	\$	
FOOD & HOUSEHOLD GOODS		
Groceries	\$	
Other:	\$	
INSURANCE (Unless deducted from paycheck)		
Medical	\$	
Life	\$	
DEPENDANTS		
Childcare	\$	
Child Support/Alimony	\$	
Tuition	\$	
Other:	\$	
MEDICAL		
Doctor/Dentist Bills	\$	
Prescriptions	\$	
SAVINGS		
Emergency Fund	\$	
Revolving Savings	\$	
Other	\$	
Savings for Goals (Transferred from page 3)		
Column 1 SUBTOTAL	\$	

MISCELLANEOUS		
Haircuts/Manicures	\$	
Gym Membership/ Sports/Hobbies	\$	
Entertainment/ Restaurants	\$	
Coffee/Cigarettes	\$	
Religious Donations	\$	
Other:	\$	
SECURED/INSTALLMENT LOANS		
Loan 1:	\$	Interest Rate %
Loan 2:	\$	Interest Rate %
Student Loan	\$	Interest Rate %
Back Tax Payments	\$	
CREDIT CARDS		
Name of Creditor	Payment	Interest Rate
1.	\$	%
2.	\$	%
3.	\$	%
4.	\$	%
5.	\$	%
6.	\$	%
7.	\$	%
8.	\$	%
9.	\$	%
10.	\$	%
Column 2 SUBTOTAL	\$	
Column 1 SUBTOTAL	\$	
TOTAL MONTHLY EXPENSES	\$	
Transfer your total from this box to the MONTHLY EXPENSES box on page 6 .		



INSTRUCTIONS:

Subtract your expenses from your monthly income to figure out what's left over. If this number is positive, you can use the money for additional saving or spending. BUT, if your budget is short, this means that you are spending more than you are bringing in! You may be subsidizing your regular expenses with credit. When you do this, you're saying that you're purchasing something now and there will be extra money in the future to pay it back. If that's not true, your budget is not working. You will need to reduce your expenses or increase your income to close the gap.

MONTHLY INCOME \$	-	MONTHLY EXPENSES \$	=	WHAT'S LEFT OVER \$
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THERE ARE ONLY THREE WAYS TO CHANGE YOUR BUDGET.

Here are some ideas for ways to decrease expenses, increase your income, or sell assets. These are only a few suggestions. For more help with changing your budget, contact a credit counselor at 1-800-99-BILLS.

REDUCE YOUR EXPENSES

HOUSING AND UTILITIES

- If you are struggling to make your mortgage payments, contact Navicore Solutions Housing Department at (866) 472-4557 for assistance.
- Consider getting a roommate to help offset living expenses.
- Look into a budget billing program for electric and gas bills.
- Reduce your cell phone plan—get less minutes and arrange to make calls during nights and weekends. Consider disconnecting your home phone if you have cell phones or vice versa.
- Think about how much television you watch and eliminate extra channels.
- Ask your electric or gas company to do an energy audit. Usually this is a low-cost or free service where they can help you to find and stop energy leaks.

INSURANCE

- Increase your deductibles to lower your premiums.
- Shop your car insurance. Check out www.insure.com to compare rates.

FOOD AND HOUSEHOLD EXPENSES

- Plan your meals ahead of time, and make a list.
- Reduce eating out. Look into free or low-cost food programs in your community. Find one near you by calling 2-1-1.
- Cooking from scratch is cheaper than eating prepared foods.
- Check generics before using coupons.

MISCELLANEOUS

- If you have medical bills, discuss your situation with the doctor or hospital to find out about a payment schedule. They usually don't charge you interest.
- If you have student loans, ask about a deferment or forbearance. You may also be eligible for lower payments through the Income-Based Repayment Program. Go to www.ibrinfo.org for more information.
- Track your expenses! By writing down everything you spend money on, you may see even more areas where you can cut back.

INCREASE YOUR INCOME

- Utilize job searching websites like www.indeed.com or www.servicelocator.org.
- Look into retraining for a career where there are more available jobs.
- Check out temp agencies.
- Get a part-time or seasonal job.
- If you get a tax refund, change your federal withholding to get more money in each paycheck.
- Have your older children or non-working spouse find work to contribute to the household.
- If you're eligible, apply for public benefits like food stamps, WIC, and cash assistance.

SELL ASSETS

- If you can get at least what you owe for it, consider selling your home and moving into a cheaper living situation (rent an apartment or live with family).
- If you're upside-down in your home, you still may be able to sell it in a short sale. Contact our Housing Department at 866-472-4557 to find out more information.
- Sell non-essential property like a boat, RV, motorcycle, or land.
- Consider if you need all of your vehicles. Could you get by with one car? If so, you could reduce your transportation costs, including insurance and gasoline.



OFFICE LOCATIONS

Dallas

17440 N. Dallas Parkway
Suite 134
Dallas, TX 75287

Champaign

201 W. Springfield Avenue
Suite 211
Champaign, IL 61820

Farmington Hills

28124 Orchard Lake Road
Suite 102
Farmington Hills, MI 48334

Henderson

2298 West Horizon Ridge Parkway
Suite 109
Henderson, NV 89052

Manalapan

200 US Highway 9
Manalapan, NJ 07726

Owings Mills

10989 Red Run Boulevard
Suite 208
Owings Mills, MD 21117

Peoria

416 Main Street
Suite 800
Peoria, IL 61602

Raleigh

4917 Waters Edge Drive
Suite 240
Raleigh, NC 27606

Roseville

1700 W. Highway 36
Suite 301
Roseville, MN 55113

San Diego

1455 Frazee Road
Suite 550
San Diego, CA 92108

1-800-99-BILLS
www.navicoresolutions.org



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*Knowing the difference can
make all the difference.*