

Developing a Spending Plan

A spending plan helps reduce the need for consumer credit, save for financial goals and live within your income.



MSU EXTENSION RESOURCES

www.montana.edu/extensionecon/familyeconomics
Or, contact your local County Extension Office

- Developing a Spending Plan
- Using a Check Register to Track Your Expenses
- Check Register: Free, Preprinted check register \$1.00
- Schedule of Non-monthly Family Living Expenses
- Using a Homestead Declaration to Protect Your Home from Creditors
- Credit Card Tracker



EASY WORKSHEETS

www.montana.edu/extensionecon/familyeconomics/financialmgtpublications.html

At this website, there are **three** easy forms that help calculate your actual yearly expenses and non-monthly expenses. These worksheets are in Excel format (which does the calculation for you), or a PDF format for those who prefer the “pencil” approach.

Item	Jan	Feb	Mar	April	May	June	July	Yearly Cost	Average Monthly Amount
Mortgage	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$14,400.00	\$1200.00
Car Insurance		\$480.00					\$480.00	\$960.00	\$80.00
Car Payment	\$264.00	\$264.00	\$264.00	\$264.00	\$264.00	\$264.00	\$264.00	\$3,168.00	\$264.00
TOTAL	\$1,464.00	\$1,944.00	\$1,464.00	\$1,464.00	\$1,464.00	\$1,464.00	\$1,464.00	\$18,528.00	\$1,544.00

TEST YOUR KNOWLEDGE

(Answers on back)

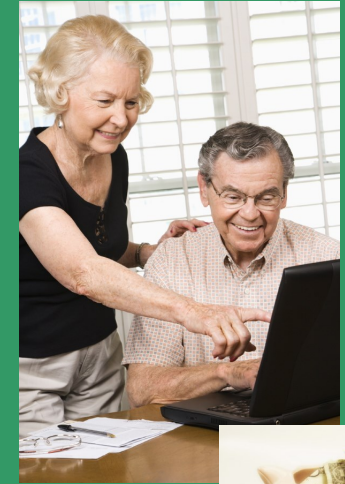
1. The average household has \$_____ in debt?
A. \$130,922 B. \$88,250 C. \$42,975 D. \$37,625
2. The average credit card balance owed by American households is \$_____?
A. \$23,100 B. \$15,762 C. \$8,250 D. \$5,883
3. If your current credit card debt is \$10,000 with an 18% APR, and you pay the minimum payment each month, how many years will it take for you to pay off your debt? A. 32 years B. 20 years C. 9 years D. 4 years
4. Which debt if you pay off first will save you the most money? A. Highest Interest Rate B. Lowest Balance C. Highest Balance



AVERAGE ANNUAL EXPENDITURES

Expenditure Category	Income Before Taxes								
	Less than \$5,000	\$5,000-\$9,999	\$10,000-\$14,999	\$15,000-\$19,999	\$20,000-\$29,999	\$30,000-\$39,999	\$40,000-\$49,999	\$50,000-\$69,999	\$70,000 and over
Food At Home	\$2,390	\$2,305	\$2,470	\$2,647	\$2,951	\$3,339	\$3,688	\$3,925	\$5,427
Food Away from Home	\$1,227	\$1,009	\$1,003	\$1,293	\$1,481	\$1,855	\$2,247	\$2,561	\$4,689
Housing	\$9,543	\$8,959	\$9,426	\$10,814	\$12,129	\$13,539	\$15,138	\$17,028	\$27,290
Apparel and Services	\$930	\$667	\$741	\$791	\$960	\$1,321	\$1,518	\$1,602	\$2,928
Transportation	\$3,276	\$3,090	\$3,538	\$4,203	\$5,749	\$6,435	\$8,289	\$9,488	\$14,579
Health Care	\$1,568	\$1,300	\$1,822	\$2,816	\$3,124	\$3,539	\$3,709	\$4,702	\$6,417
Entertainment	\$1,085	\$991	\$1,047	\$1,284	\$1,407	\$1,969	\$2,131	\$2,548	\$4,655
Education/Reading	\$1,584	\$894	\$840	\$579	\$429	\$610	\$522	\$856	\$2,565
Cash Contributions	\$444	\$373	\$489	\$800	\$1,108	\$1,216	\$1,340	\$1,643	\$3,193
Personal Care	\$295	\$238	\$293	\$344	\$411	\$482	\$528	\$570	\$1,048
Personal Insurance and Pensions	\$240	\$332	\$594	\$775	\$1,380	\$2,366	\$3,284	\$4,743	\$12,758
Miscellaneous	\$498	\$240	\$203	\$489	\$391	\$577	\$726	\$833	\$1,248
Other**	\$488	\$420	\$397	\$489	\$528	\$597	\$654	\$741	\$1,165
Average Annual Expenditure	\$23,570	\$20,818	\$22,862	\$27,324	\$32,048	\$37,846	\$43,775	\$51,242	\$87,962

Source: www.bls.gov/cex/



ONLINE RESOURCES

- **Credit and Loans (Federal Trade Commission):** www.ftc.gov/bcp/menus/consumer/credit.shtm
- **Credit Card Debt Resource Center:** www.creditcarddebt.org
- **Credit\$mart:** www.freddiemac.com/creditsmart
- **Credit-Wise Cats:** www.creditwisecats.org
- **Choose to Save:** www.choosetosave.org
- **Financial Fitness Center:** www.debt.com
- **Managing Money in Tough Times:** www.extension.org, then use search engine
- **MyMoney.gov**
- **PowerPay:** www.powerpay.org

Answers: Website: www.nerdwallet.com

- 1 A. \$130,922
- 2 B. \$15,762
- 3 B. 20 years
- 4 A. Highest interest rate

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