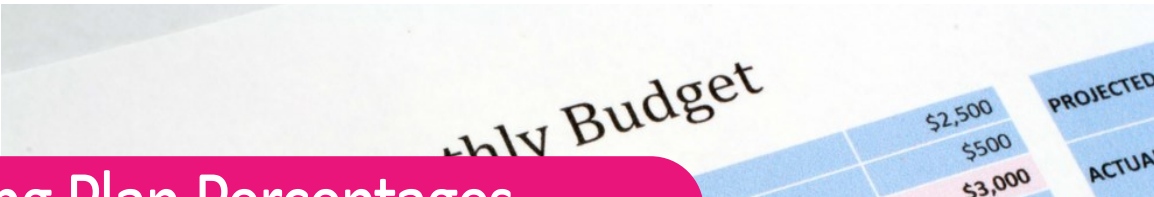




BUDGETS and CASHFLOW

- 2** Budgeting Percentages
- 3** Cashflow Analysis
- 7** Sites and Apps



Spending Plan Percentages

These suggested guidelines may be helpful to you in planning your budget. Some may need to be adjusted, depending on your individual situation; but remember, the total must not be more than 100%.

Your priorities and goals determine your personal percentage allocations.

- Church & charity..... aim for 10%
- Housing 25-35%
Utilities, mortgage or rent, taxes, insurance, repairs
- Food 10-15%
Groceries, eating out, household cleaning supplies
- Health care..... 5-10%
Medical, dental, vision, prescriptions, insurance
- Auto/transportation 10-15%
Car loan, gas, insurance, repairs, licenses, tolls, train/bus fare
- Clothing..... 3-7%
Clothes, shoes, coats
- Recreation and entertainment..... 2-10%
Movies, club memberships, vacations, cable TV, internet
- Savings and investment.....5-20%
Retirement savings, investment programs, general savings
- Personal/household 2-7%
Gifts, cell phone, pets, life insurance, child care, extras, personal grooming, children's allowance
- Cash Reserve [Rainy Day Fund]..... 6 months of fixed expenses

Obviously you can't spend at the high end of each category and have a balanced budget. If you have additional needs like saving for children's college, paying down existing debt, or other items specific to you, other percentages must be adjusted to compensate.





PERSONAL CASH FLOW ANALYSIS

Covenant Trust Company®
8303 West Higgins Road, 6th Floor | Chicago, IL 60631
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WHAT IS CASH FLOW and WHY IS IT IMPORTANT?

Cash Flow is simply what funds are coming in and what funds are going out, and is helpful in any financial planning task. Tracking your cash flow can be helpful in several ways:

- When preparing an initial budget, it is helpful to track cash flow for several months to get an accurate picture of what items your budget needs to take into account. A Cash Flow Analysis tells you exactly where you spend your dollars.
- A Cash Flow Analysis can be a valuable tool to show children or spouse a snapshot of your financial situation and can be used as an educational tool. It can also highlight areas where you may be able to cut expenses if necessary.
- Analyzing your cash flow is your reality check. The difference between what comes in and what goes out helps you gauge the state of your financial health. When you have entered what comes in and what goes out, subtract the smaller from the larger to see whether you have a monthly surplus or deficit. If you have a surplus, put it in your savings, emergency or retirement fund!
- If net cash coming in is less than total cash going out, you will want to make some changes. You will need to cut expenses or increase income.

Full Legal Name:		Telephone:
Spouse Name		Date:
Address:		

1.	Enter the amounts for all your CASH COMING IN, and calculate the total.
2.	Enter amounts for all TAXES WITHHELD.
3.	Subtract TAXES WITHHELD from CASH COMING IN to get NET CASH COMING IN.
4.	Enter amounts for all your expenses. You may enter a total for each category on the shaded line.
5.	Total all expense categories to arrive at CASH GOING OUT.
6.	Calculate the difference between NET CASH COMING IN and CASH GOING OUT.

CASH FLOW SUMMARY

1.	TOTAL CASH COMING IN	\$
2.	LESS TAXES WITHHELD	(\$)
3.	NET CASH COMING IN	\$
4.	TOTAL CASH GOING OUT	(\$)
5.	SURPLUS OR DEFICIT [circle one]	\$

CASH COMING IN		CASH GOING OUT, CONTINUED	
ITEM	<input type="checkbox"/> Last Month <input type="checkbox"/> Year-to-Date <input type="checkbox"/> Last Year	ITEM	<input type="checkbox"/> Last Month <input type="checkbox"/> Year-to-Date <input type="checkbox"/> Last Year
Gross salary [self]		Home and Housing	
Gross salary [spouse]		Property Taxes	
Interest [monthly average]		Home Repairs	
Dividends [monthly average]		Home Improvements	
Rental income		Monthly HO Association	
Other income:		Utilities	
		Telephone [land	
		Household Expenses	
TOTAL CASH COMING IN		Transportation	
[Enter total as #1 on Summary]		Gas	
		Auto Repairs	
TAXES WITHHELD:		Transportation	
Federal Income Tax		Health/Medical	
State and Local Income Tax		Out-of-Pocket Medical	
Social Security/Medicare Tax		Fitness	
TOTAL TAXES WITHHELD			
[Enter total as #2 on Summary]		Food/Clothing	
Total Cash Coming In <u>Less</u>		Groceries	
Total Taxes Withheld =		Eating Out	
Net Cash Coming In		Clothing	
[Enter total as #3 on Summary]		Entertainment	
		Cable/Videos/Movies	
CASH GOING OUT		DSL, Internet, etc.	
Tithe		Hobbies	
Tithe [Church Giving]			
Savings/Investments		Other	
Retirement Savings		Child Support/Alimony	
Investments		Day Care/Babysitting	
College Fund		Subscriptions and Dues	
Savings		Barber/Beauty	
Emergency Fund		Gifts and Donations	
Debt Payments		Tax (State and Federal Income	
Mortgage or Rent		Other:	
Home Equity Loan			
Credit Card Payments			
Auto Loan Payments			
Student Loan Payments			
Other Loan Payments		TOTAL GOING OUT	
Insurance		[Enter total as #4 on	
Homeowners/Renters			
Health Insurance			
Auto Insurance			
Life Insurance			
Other Insurance			



PERSONAL NET WORTH STATEMENT

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TIPS on FIGURING YOUR NET WORTH

Calculating your net worth for the first time isn't easy. But once you have established a pattern, it becomes fairly simple to update on a regular basis. Each time you update, you will see the progress you are making.

So take a pencil in hand, one with an eraser! Mistakes made with a pencil are easier to correct than those made "flying blind" in managing your resources.

- **BE HONEST** with yourself. Your assets are worth what you can sell them for, not what you originally paid for them.
- **STOCKS AND BONDS** should be valued at the market price on the date of your calculation.
- **YOUR PENSION RIGHTS**, if vested, and/or your share in a profit-sharing plan are part of your net worth.
- **TAX SHELTERED FUNDS** (IRAs, etc.) should also be included in your net worth calculation.
- Don't forget the **cash and other conversion values of your insurance**. Your insurance company can supply these figures.
- **YOUR HOME** or other real property is worth no more than it would bring on the market, minus any sales costs. You can approximate the worth of your house by going to Zillow.com or looking at the current prices of similar homes in the neighborhood.
- In general, **HOUSEHOLD GOODS** are worth far less than you paid for them new, or what they would cost to replace. Unless you have rare antiques or art objects, your furnishings are worth only what they would bring on the secondhand market. Automobiles are worth what you might get from a used car dealer.
- You can make your **NET WORTH STATEMENT** as simple or as detailed as you wish. It should be complete enough to show you how you stand now, in order to measure your financial progress in the future.
- Use the table below to summarize your **LIFE INSURANCE POLICIES**, then carry the total face value over to the appropriate space on the other side. Remember to include any life insurance paid for by your employer.

LIFE INSURANCE POLICY REVIEW

NAME OF INSURED	OWNER	BENEFICIARY	FACE VALUE
TOTAL FACE VALUE (carry over to the appropriate line on the other side ÷ ÷ ÷ ÷)			
÷ ÷ ÷			

		PERSONAL NET WORTH STATEMENT			
Full Legal Name:				Birth date:	
Spouse Name:				Birth date:	
Address:				Telephone:	
				Date:	
ASSETS (What you own free and clear)					
ITEM	CURRENT VALUE	ORIGINAL COST	LOCATION	OWNERSHIP*	
Checking accounts					
Savings accounts					
Certificates of Deposit					
Other cash assets					
Primary residence					
Other real estate					
Business					
Stocks					
Bonds					
Mutual funds					
Brokerage accounts					
Personal property					
Life insurance cash value					
Vested pension value					
Tax-sheltered funds (IRAs, etc.)					
Notes receivable					
Possible legacies					
Other					
Other					
TOTAL ASSETS					
LIABILITIES (What you owe, not counting life insurance loans)					
ITEM	CURRENT VALUE	ORIGINAL COST	LOCATION	OWNERSHIP*	
Bank loans					
Mortgages payable					
Life insurance loans					
Credit card debt					
Other					
Other					
TOTAL LIABILITIES					
TOTAL ASSETS LESS TOTAL LIABILITIES					
Add insurance face value LESS cash value					
TOTAL NET WORTH for estate planning purposes:					
SH = separate property of husband SW = separate property of wife		CP = community property TC = tenancy in common		JT = owned equally by both O = other [please explain]	



Is there an App for that?

Below is a list of websites containing information on many financial topics. You may want to add to this list as you do your own 'searching'.

APPS		WEBSITES	
<u>GoodBudget</u>	Tools for budgeting based on cash flow. Uses the "envelope system" which works by putting cash into actual envelopes	<u>covenanttrust.com</u>	Covenant Trust website, its services, resource materials, calculation tools
<u>Mvelopes</u>	Also uses envelope system; syncs bank accounts	<u>investopedia.com</u>	Basic definitions of financial terms
<u>mint.com</u>	Tools for budgeting, setting goals; puts all your financial accounts and info into one place	<u>morningstar.com</u>	Info and ratings on mutual funds
<u>Expensify</u>	Good for tracking business expenses including mileage and billable time	<u>moneyunder30.com</u>	Personal finance for 20-somethings
<u>Concur</u>	Also for business users	<u>SaveAndInvest.org</u>	Information and tools for financial health; special section on military personnel
<u>Learnvest</u>	Tracks transactions; lets you set goals	<u>wife.org</u>	Women's Institute for Financial Education
<u>BillGuard</u>	View all your accounts in one place, track your credit score and spending, and protect yourself from fraud and	<u>finance.yahoo.com</u>	Info on personal finance matters and what is going on in the markets
<u>Money Monitor</u>	track and organize all your transactions, accounts, budgets, bills, cash flow and payees	<u>wiserwomen.org</u>	Women's Institute for a Secure Retirement
<u>Personal Capital Money and Investing</u>	gives you a comprehensive view of your income, spending, and investment performance.	<u>msmoney.com</u>	Info on financial health, life planning, debt reduction
<u>Checkbook HD</u>	Manage all your accounts with Checkbook HD and stay always aware of how much money is left on each of	<u>annualcreditreport.com</u>	The official site to help consumers obtain their free credit report.



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