

## **BASIC BUDGETING**

Single /Dual Income Households should have the appropriate federal and state withholding, medical benefit withholding, retirement withholding deductions from their pay.

### **Monthly**

**One week's net salary** = rent and/or mortgage. (Principal, Interest and Taxes)

**Second week's net salary** = utilities (electric, gas, phones, cable, etc), lawn care, maid service, ADT Systems etc.

**Third week's net salary** = insurance (auto, home owners or renters, health if not provided by work) food, clothing, entertainment.

**Fourth week's net salary** = savings / investing

Savings – Spousal Retirement  
Savings – Business Funding  
Savings – Children's Education  
Savings – Future Purchases – cars & appliances  
Savings – Emergency Fund and Family support  
Savings – Unexpected opportunities / expenses

Note:

- Single Income Households should strive to have 6 months of “Monthly Expenses” in a Reserve Savings Account.
- Dual Income Households should strive to have 3 months of “Monthly Expenses” in a Reserve Savings Account.

### **Business Owners**

Business Owners must produce enough revenue to cover:

1. Rent
2. Utilities
3. Benefits (Health, disability, retirement plan, overhead insurance)
4. Salary
5. Taxes – state and federal
6. Unemployment / disability – state and federal
7. Marketing
8. Equipment and technology upkeep
9. Savings for business expansion

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