



Budget Tips

To make your monthly income last, consider using it in the following sequence:

1. Pay your monthly bills. There are many potential penalties if you pay late, such as late fees, losing possession of things you've bought on credit, even being evicted from an apartment!
 2. Set aside the money you'll need for your weekly and day-to-day expenses, like groceries and bus fare.
 3. Put money into savings. Try to build two months of take-home pay for an unexpected financial emergency.
 4. Set aside money for larger expenses you know are coming, such as car repairs or appliances.
 5. Set aside money for your major future goals whether it's a home, college for your children, a new car, or travel.
- If possible, try to stretch your bills out evenly over the month, so that you pay about the same amount each week. For regular monthly bills, you may be able to request a change of a bill's due date to spread out your bills more evenly. Try to avoid having one week when all of your cash-on-hand is needed for bills.
 - For large expenses that are not monthly (for example, insurance bills, car repairs, holiday gifts, etc.) place an amount of money aside each week or pay period so that you have money to pay the bills when they are due.
 - Here are some guidelines to consider for how much of your take-home monthly income you might budget for various expenses:
 - Housing (rent or mortgage) 20 to 35%
 - Utilities (gas, electric, water, trash, telephone) 4 to 7 %
 - Food (at home and away) 15 to 30%
 - Family necessities (laundry, toiletries, hair care) 2 to 4%
 - Medical (insurance, prescriptions, bills) 2 to 8%
 - Clothing 3 to 10%
 - Transportation (car payment, gas, insurance, repairs, or bus fare) 6 to 30%
 - Entertainment 2 to 6%
 - Savings 10 to 15%
 - Try to limit your installment debts (car loans, credit card bills, other loans) to 10–20% of your monthly budget.
 - To decide whether a purchase is necessary, ask yourself these questions:
 - Do I really need it?
 - Do I really need it today? What would happen if I don't buy it now?
 - Can I meet this need less expensively?
 - Always review your bank and credit card statements. It will remind you where your money is going.

We invite you to contact Wells Fargo for further information and assistance. Visit our Web site at wellsfargo.com or any Wells Fargo store.