5 STEPS FOR STARTING A CRISIS BUDGET

STEP #1

Determine Your Family's Current Monthly Income Level

- Determine what your total monthly income was BEFORE the crisis event (e.g., a job loss). Be sure to include all sources such as Social Security, alimony, disability, and child support.
- Subtract the monthly income that has been lost.
- Add monthly amounts coming from new income sources (e.g., severance and/or unemployment benefits and available savings). The resulting total is your adjusted monthly income.

STEP #2

Make two written commitments

- First, commit to live on your new adjusted monthly income.
- Second, commit to incurring no new debt.

STEP #3

Prioritize essential needs

- Housing, food, transportation, and medical expenses should take top priority.
- Stop discretionary spending on things like entertainment, manicures, or vacations.
- Don't stop giving "first fruits" to the Lord.

STEP #4

Delay nonessential expenses

- For example, put off buying clothes, giving gifts, or making home improvements.

STEP #5

Analyze monthly subscriptions

- These are adjustments that may be temporary or permanent.
- Include such things as magazines, gym memberships, cell phones, and cable television

Use the form on the following page to create your new crisis budget.

CRISIS BUDGET GUIDE

CROWN
Advancing God's Principles of Stewardship and Life.

Monthly income *before* crisis event: (Include all sources of income)		
Subtract monthly lost job income:	–	$0.00
Add any new monthly income: (Include severance, unemployment benefits, savings)	+	
Resulting total is your **adjusted monthly income:**	=	$0.00

ADJUSTED MONTHLY INCOME	$0.00
PRIORITIZED EXPENSES	
Tithe	
Housing (mortgage, utilities, insurance, taxes)	
Food	
Transportation (gas, maintenance, insurance, payments)	
Medical (doctor, dentist, Rx)	
TOTAL EXPENSES (Total should match adjusted monthly income.)	$0.00

If there is a shortfall, adjust expenses downward and/or increase income.
Remember, commit to incurring no new debt!

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