

## Monthly Budget Form Instructions:

This monthly budget form aims to help you allocate your expenses into three categories: NEEDS, WANTS, and WISHES. By doing so, you'll gain clarity on your spending habits and allow us to work together to ensure that your assets are most effectively positioned to fund your envisioned retirement.

When quantifying your envisioned retirement, determine the cost based on the future but priced at today's dollars. For example, if you will remain in your current home, use your current mortgage. But if you plan on retiring to a different state or size of home, enter that future housing expense based on today's costs. If you are uncertain about your future housing costs, don't get stuck; just use your current housing expense as an initial starting point in this process.

The number one rule with this process is to have fun! Please don't get stuck in the uncertainty of exact numbers during the initial drafts. We will regularly review your budget to ensure it aligns with your vision of retirement as it develops.

### How to Complete the Form:

Enter the monthly expenditure for all relevant expenses in each category. Assign each expense to one of the three categories: NEEDS, WANTS, or WISHES.

- There are lines for custom/unique expenses you might personally incur in that category. If you pay the expense annually or semi-annually, please enter the monthly amount to ensure all expenses are entered the same.

### Understanding Categories:

- **NEEDS:** Essential monthly expenses for your basic well-being and livelihood – *no extra frills*.
- **WANTS:** Non-essential expenses that enhance your lifestyle - *things or experiences that add joy*.
- **WISHES:** Desirable expenses that are more aspirational in nature – *bucket list items*.

### Expense Allocation – How to enter monthly expenditures:

- You can divide an expense into multiple categories based on priority and necessity. For example, If you enjoy dining out with friends 3-times per week:
  - One visit might be categorized as a Need (for social connection).
  - Another visit could be a Want.
  - The third visit, if affordable, could fall under the Wish category.
- Each category receives a proportional allocation of the expense. Here is how to enter the allocation:
  - If the cost per visit was \$15 per visit, times four times per month would be \$60. This \$60 would be included as a Need, another \$60 as a Want, and another \$60 included as a Wish.
- The same allocation would apply to vacations. You may NEED to take two long weekend trips per year to stay connected with family in other parts of the country. You may WANT to take an extra week in Hawaii per year. You may WISH to also take a European trip per year.
  - To complete the vacation expense, you would total the price of the two long weekend trips per year and divide that number by 12. Then, enter that amount in the NEED

section as a monthly amount. You would do the same with the WANT trip and the WISH trip.

**The Benefit to You:**

After completing this form, we will have a clear picture of where your expenses are and how you can best achieve the funding of your envisioned retirement.