



BUDGETING

To help you arrive at figures for spousal support and child support, the approach that I use in mediation begins with budgeting. An Excel spreadsheet for budgeting is available on my website, at www.FairDivorce.com/forms.html

An over-simplified method for determining for spousal support is: (1) Determine how much it will cost you to live after the divorce. (2) Subtract that number from your anticipated after-tax income. (3) The difference between the numbers is the minimum financial help that you need. You need to fill out a budget form in order to figure out your total living expenses. Your spouse needs to fill out a budget form in order to determine how much money is available. This does not necessarily specify the amount of spousal support, but it is a necessary first step.

An over-simplified determiner for child support is: (1) Determine how much it will cost to raise the kids in each of the two homes (two separate budgets). (2) Determine how the total cost should be divided between the two of you – usually in proportion to your incomes.

Again, these are over-simplifications of the manner in which support is determined. The point I am trying to make, though, is that budgeting is an important step.

On the budget form, there is a column labeled “Me” and a column labeled “Kids.” The first column is used in determining spousal support, and the second column is used in determining child support. You need to put on your thinking cap, because each line might be determined in a different manner. Let’s assume that it’s just you and the two kids living in the house. If your weekly grocery bill is \$180, then probably 1/3 of it goes into your column and 2/3 of it goes into the children’s column. If your telephone bill is \$45 per month and the kids don’t make any long distance calls, then all \$45 of it would go into your column and none of it into the kid’s. The question that you have to ask yourself on each line is: “How much more does it cost me because of the kids?” For cable TV, the answer is probably zero, but for your car’s gasoline the kids do account for some portion of it. If 1/4 of your driving is spent taking the kids places, then 1/4 of the gasoline cost is theirs.

The NJ Child Support Guidelines are a couple of forms that are filled out (usually with the help of a computer program) and provide a child support amount. However, I prefer to use that solely as a “guideline.” You are not “the average family” (in fact, no family is the average family). The actual amount to be paid will need to be agreed between the two of you.

I will guide the two of you step-by-step through the process of arriving at spousal and child support amounts that each of you feels is affordable and proper.

It is important that your budgets be as complete as possible. On the back side of this sheet is a check list to help insure that you haven’t omitted anything from your budget.

Don't forget these items in your budget:

Residence

Mortgage
Rent
Real Estate Taxes
Assessment
Insurance
Home Equity Loan
Condominium Fee

Utilities

Electricity
Natural Gas/Oil
Propane
Water
Sewer
Septic
Regular Telephone
Cellular Telephone
Long Distance
Voice Mail
Pager
Cable TV
Satellite TV
Internet Service
Firewood

Health

Medical Care
Dental Care
Vision Care
Orthodontia
Glasses/Contacts
Prescriptions
Therapist

Insurance

Health
Life
Automobile
Umbrella
Casualty
Disability
Dental
Vision
Prescription
Medicare
Supplement
Travel Insurance

Vehicles

Gasoline
Maintenance
Repairs
Vehicle Loan
Vehicle Lease
License
Taxes
Inspections

Home Care

Maid
Housekeeper

Lawn Mowing
Lawn Care
Landscaping
Snow Removal
Tree/Shrub Care
Chimney Cleaning
Window Cleaning
Gutter Cleaning
Carpet Cleaning
Air Duct Cleaning
Floor Care
Wallpapering
Exterminator
Renovations
Interior Repairs
Exterior Repairs
Interior Furnishings
Exterior Furnishings
Decorating
Window Coverings
Weatherizing

Household Needs

Linens
Kitchen Supplies
Bathroom Supplies
Cleaning Supplies
Laundry Supplies
Buying Club Fee

Personal Needs

Groceries
Eating Out
Clothing
Dry Cleaning
Laundry
Shoes
Beauty Shop
Barber Shop
Nail Salon
Jewelry
Over-the-Counter Medicines
Cosmetics
Massage
Health Club
Exercise Equipment
Subscriptions
Magazines
Record Club
Book Club
Newspaper
Film Processing
Film
Video Tapes
Cassette Tapes

Recreation/Social

Relaxation
Hobbies
Entertainment
Movies
Movie Rental
Tickets
Sport Activities
Club Dues
Guests
Visiting
Short Trips

Vacation
Equipment
Special Clothing
Club Membership

Education

Tuition
Uniforms
Lunches
Room & Board
Books
Supplies
Fees
Club Dues
Frat/Sorority Dues
Class Rings
School Pictures
Year Book
Religion Classes
Summer Camp
Tutor
Counselor
Advisor
Financial Aid

Child Care

Nursery School
Day Care
Baby-sitter
Before school care
After school care

Pets

Veterinarian
Food
Grooming
Boarding
Equipment
Medical

Special Needs

Educational
Medical
Equipment
Accommodations
Elder Care
Home Nursing
Home Medical Care

Professional Services

Lawyer
Accountant
Financial Planner
Investment Advisor
Stock Broker

Civic

Political
Contributions
Fund Raisers

Charity

Tithes
Contributions
Donations

Taxes

Federal Income
State Income
City Income
Personal Property
Real Property
Self Employment

Debt

Interest
Credit Card
Balances
Personal Loan
Unpaid Bills
Penalties
Consumer Loan
Delinquent Taxes

Holidays

Decorations
Gifts
Cards

Special Events

Gifts
Invitations
Cards
Parties
Announcements
Decorations
Birthdays/ Anniversaries

Computer

Computer Purchase
Internet Fees
Printer
Hardware Upgrades
Software
Software Upgrades
Paper
Printer Refill
Additional Phone Line
Ancillary Equipment

Legal

Child Support
Spousal Support
Judgments
Fines

Savings/Financial

Bank Fees
IRA Fees
Credit Card Fees
College Savings Plan
Emergency Fund
Short Term Goals
Intermediate Goals
Long Term Goals
Retirement

(C) checking

(S) savings

(M) money market

Whose?

Bank name

Account #

Balance

Date

(V) Visa

(M) Mastercard

(A) American Express

Whose?

Account #

Balance

Date

Investment and Retirement Accounts:

What

Whose?

IRA, 401(k),
pension?

Date
Started

Account #

Value

As of Date

Other:

