

1971

## EC71-851 Estimating your Family Living Expenses : A Guide

Philip Henderson

Follow this and additional works at: <http://digitalcommons.unl.edu/extensionhist>

---

Henderson, Philip, "EC71-851 Estimating your Family Living Expenses : A Guide" (1971). *Historical Materials from University of Nebraska-Lincoln Extension*. 4108.

<http://digitalcommons.unl.edu/extensionhist/4108>

This Article is brought to you for free and open access by the Extension at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in Historical Materials from University of Nebraska-Lincoln Extension by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.

EC 71-851

AGRI  
S  
85  
E7  
# 71-851

EC 71-851

# ESTIMATING YOUR FAMILY LIVING EXPENSES

RECEIVED  
OCT 18 1972  
COLLEGE OF AGRICULTURE  
LIBRARY

## A GUIDE



EXTENSION SERVICE  
UNIVERSITY OF NEBRASKA COLLEGE OF AGRICULTURE COOPERATING WITH THE  
U.S. DEPARTMENT OF AGRICULTURE AND THE COLLEGE OF HOME ECONOMICS.  
E. F. FROLIK, DEAN; J. L. ADAMS, DIRECTOR

**A FINANCIAL MANAGEMENT SERIES FOR NEBRASKA FARMERS & RANCHERS**

- EC 71-846 YOUR PLANS FOR PROFIT
- EC 71-847 YOUR BALANCE SHEET
- EC 71-848 YOUR INCOME STATEMENT
- EC 71-849 CASH FLOW PLANNING WITH THE AID OF YOUR INCOME TAX RETURN
- EC 71-850 CASH FLOW PLANNING WITH THE AID OF YOUR RECORD BOOK AND BUDGETING
- EC 71-851 ESTIMATING YOUR FAMILY LIVING EXPENSES
- EC 71-852 CASH FLOW PLANNING FORM
- EC 71-853 BALANCE SHEET
- EC 71-854 INCOME STATEMENT

THIS SERIES WAS DEVELOPED THROUGH THE COOPERATION OF THE FOLLOWING SUBCOMMITTEES:

**AGRICULTURAL ECONOMICS DEPARTMENT, UNIVERSITY OF NEBRASKA**

- Larry L. Bitney, Extension Economist (Farm Management)
- Thomas L. Frey, Asst. Professor of Agricultural Finance and Farm Management
- Philip A. Henderson, Extension Economist (Farm Management)
- Robert E. Perry, District Extension Specialist (Farm Management)

**NEBRASKA BANKERS ASSOCIATION AGRICULTURAL COMMITTEE**

- M. C. Bonham, First National Bank, York
- Charles M. Athey, First Natl. Bank & Trust Co., Columbus
- L. S. Curran, First Natl. Bank & Trust Co., Lincoln
- W. E. Richards, First Security Bank, Holdrege

# ESTIMATING YOUR FAMILY LIVING EXPENSES

by

*Philip A. Henderson*

*Extension Economist (Farm Management)*

One important factor affecting financial progress is the amount spent for family living. Your profits or earnings wind up in one of three places — income taxes and social security; family living; or increased net worth. Obviously, the more you spend for family living the less you have to improve your net worth situation.

Managing family finances, just like managing the farm business, calls for decision making. It's a matter of identifying goals which the family wants to achieve, assigning priorities to these, and then making the amount of money allocated to family living go as far as it will toward accomplishing these goals. Careful budgeting of family living expenditures is a "must" if you want to make financial progress. Most of us have enough "wants" to use up all the money we could get our hands on, and unless we use some restraint on family spending, there may not be anything left for growth or expansion.

Every family has a little different spending pattern. Do you know what yours is? If not, it is a good idea to keep a record of family living expenses. It will be a help in planning your future financial needs.

For those who have not kept such a record, the figures on the back of this paper showing amounts spent by more than 550 farm families enrolled in the Farm Management Associations in Kansas in 1970 may provide some guidelines. Rather than simply using the figures in one of these columns without modification, ask yourself: Are we above or below average in our spending for this item? Estimate your expenditures for each item accordingly.

Note too, that the Kansas figures do not include income tax and self-employed social security payments, so you need to add in these items in order to arrive at total non-farm expenditures.

### Living Expenses Reported by Farm Families, 1970<sup>a</sup>

	<u>Oldest child preschool age</u>	<u>Oldest child in grade school</u>	<u>Oldest child in high school</u>	<u>Oldest child over 18 but at home</u>	<u>Couples</u>	<u>Your Family</u>
No. of Families	57	141	123	113	130	
No. in Family	3.6	5.0	5.1	5.1	2.0	_____
Food Purchased	\$1,228	\$1,637	\$1,725	\$1,726	\$1,043	\$ _____
Household Operation	454	435	295	390	341	_____
Furnishings & Equipment	370	533	489	536	464	_____
Upkeep & Repair	143	269	207	235	272	_____
Personal	391	340	427	379	293	_____
<b>Clothing</b>						
Father	134	140	146	145	146	_____
Mother	200	206	170	232	217	_____
Children	122	286	392	482	—	_____
Education & Recreation	290	466	525	806	304	_____
Medical Care	535	704	949	914	805	_____
Gifts	147	150	165	245	276	_____
Contributions	116	330	329	435	417	_____
Home Share Auto	243	255	311	369	274	_____
Home Share Utilities	129	147	147	176	138	_____
<b>CASH FOR LIVING EXPENSES</b>	<b>\$4,502</b>	<b>\$5,898</b>	<b>\$6,277</b>	<b>\$7,072</b>	<b>\$4,990</b>	<b>\$ _____</b>
Life Insurance and Savings	\$1,599	\$1,335	\$1,214	\$1,188	\$1,237	_____
Income tax & Social Security						_____
Total non-farm expenditures						\$ _____

a/ Kansas Farm Management Summary and Analysis Report for 1970