

MONTHLY BUDGET TEMPLATE

From "The Wealthy Janitor" by Rich Abbott

WHAT IS THIS TEMPLATE?

This is the exact budgeting system that shows you where every dollar goes and helps you live on 70% of your income.

The Goal: Spend $\leq 70\%$ of take-home income, invest/save the other 30%.

Sam's secret: He lived on 30% of his income and invested 70%. That's how he built \$8 million.

My mistake: I spent 100%+ of my income. That's why I stayed broke.

This template shows you how to do what Sam did.

THE 70/30 RULE:

70% = LIVING EXPENSES (housing, food, transportation, everything)

30% = WEALTH BUILDING (savings, investments, giving)

Most people do this backwards:

- Spend 100% on living
- Invest whatever's "left over" (which is nothing)
- Wonder why they never build wealth

The wealthy janitor way:

- Pay yourself first (invest 30%)
 - Live on the remaining 70%
 - Build wealth automatically
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HOW TO USE THIS TEMPLATE:

Step 1: Calculate your monthly take-home income (after taxes)

Step 2: Calculate your 70% spending limit

Step 3: Track every expense for 30 days

Step 4: Cut expenses until you're at or below 70%

Step 5: Automate the 30% to investments/savings

Step 6: Repeat monthly and adjust as needed

PART 1: YOUR INCOME

Gross Monthly Income (before taxes):

- Salary/Wages: \$ _____
- Side income: \$ _____
- Other income: \$ _____

Total Gross Income: \$ _____

Monthly Deductions:

- Federal taxes: \$ _____
- State taxes: \$ _____
- Social Security/Medicare: \$ _____
- Health insurance: \$ _____
- 401k/retirement (pre-tax): \$ _____
- Other deductions: \$ _____

Total Deductions: \$ _____

MONTHLY TAKE-HOME INCOME: \$ _____

(This is the number that matters)

Your spending targets:

70% (Living Expenses): \$ _____ *(Take-home × 0.70)*

30% (Wealth Building): \$ _____ *(Take-home × 0.30)*

PART 2: WEALTH BUILDING (30% - Pay Yourself First)

This money goes OUT before you spend on anything else.

Savings:

- Emergency fund: \$ _____
- Short-term savings (goals/purchases): \$ _____

Investments:

- Index funds (Vanguard, Fidelity, etc.): \$ _____
- Employer retirement match (post-tax): \$ _____
- HSA contributions: \$ _____
- Other investments: \$ _____

Giving:

- Church/charity: \$ _____
- Helping others: \$ _____

TOTAL WEALTH BUILDING: \$ _____

Target (30% of take-home): \$ _____

Difference: \$ _____ *(Are you hitting 30%? If not, cut expenses below)*

PART 3: LIVING EXPENSES (70% Maximum)

HOUSING (Target: 15% or less of take-home)

- Rent/Mortgage: \$ _____
- Property taxes (if not in mortgage): \$ _____
- HOA fees: \$ _____
- Home insurance: \$ _____
- Utilities (electric): \$ _____
- Utilities (gas/heat): \$ _____
- Utilities (water/sewer): \$ _____
- Internet: \$ _____
- Phone: \$ _____
- Home maintenance/repairs: \$ _____

TOTAL HOUSING: \$ _____

Target (15% of take-home): \$ _____

Difference: \$ _____ *(Over? This is your #1 problem)*

TRANSPORTATION (Target: 10% or less)

- Car payment 1: \$ _____
- Car payment 2: \$ _____
- Auto insurance: \$ _____
- Gas: \$ _____
- Maintenance/repairs: \$ _____
- Registration/taxes: \$ _____

- Parking/tolls: \$ _____
- Public transportation: \$ _____

TOTAL TRANSPORTATION: \$ _____

Target (10% of take-home): \$ _____

Difference: \$ _____

FOOD (Target: 10-15%)

- Groceries: \$ _____
- Restaurants/takeout: \$ _____
- Coffee shops: \$ _____
- Work lunches: \$ _____

TOTAL FOOD: \$ _____

Target (10-15% of take-home): \$ _____

Difference: \$ _____

PERSONAL (Target: 5-10%)

- Clothing: \$ _____
- Haircuts/grooming: \$ _____
- Gym membership: \$ _____
- Personal care items: \$ _____
- Laundry/dry cleaning: \$ _____

TOTAL PERSONAL: \$ _____

ENTERTAINMENT (Target: 5%)

- Streaming services (Netflix, etc.): \$ _____
- Hobbies: \$ _____
- Movies/concerts/events: \$ _____
- Books/magazines: \$ _____
- Sports/recreation: \$ _____

TOTAL ENTERTAINMENT: \$ _____

DEBT PAYMENTS (Target: 0% eventually)

- Credit card 1: \$ _____
- Credit card 2: \$ _____
- Credit card 3: \$ _____
- Student loans: \$ _____
- Personal loans: \$ _____
- Medical debt: \$ _____
- Other debt: \$ _____

TOTAL DEBT PAYMENTS: \$ _____

(Goal: Pay these off ASAP, then redirect to investments)

INSURANCE (Not covered above)

- Life insurance: \$ _____
- Disability insurance: \$ _____
- Other insurance: \$ _____

TOTAL INSURANCE: \$ _____

MISCELLANEOUS

- Pet care/vet: \$ _____
- Childcare: \$ _____
- Child support/alimony: \$ _____
- Subscriptions (other): \$ _____
- Gifts: \$ _____
- Other: \$ _____

TOTAL MISCELLANEOUS: \$ _____

PART 4: THE TOTALS

TOTAL LIVING EXPENSES: \$ _____

(Add up all categories above)

Target (70% of take-home): \$ _____

Difference: \$ _____

Are you over or under?

- UNDER 70%** - Excellent! Invest the surplus.
 - AT 70%** - Good! Stick to the plan.
 - OVER 70%** - Problem. You need to cut expenses NOW.
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PART 5: MONTHLY SUMMARY

Take-Home Income: \$ _____

Wealth Building (30%): \$ _____

Living Expenses (70%): \$ _____

Actual Living Expenses: \$ _____

Surplus (or Deficit): \$ _____

Percentage Breakdown:

Wealth Building: _____% *(divide by take-home × 100)*

Living Expenses: _____% *(divide by take-home × 100)*

Total: _____% *(should equal 100% or less)*

SAM'S ACTUAL BUDGET (2011)

Take-Home Income: \$2,500/month

Living Expenses (30%): \$750/month

- Housing: \$150 (6%)
- Food: \$200 (8%)
- Transportation: \$200 (8%)
- Misc: \$200 (8%)

Wealth Building (70%): \$1,750/month

- Index funds: \$650
- Employer match: \$153
- Emergency fund: \$125
- Giving: \$200
- Extra buffer: \$622

Result after 20 years: \$8 million

MY ACTUAL BUDGET (2011)

Take-Home Income: \$3,600/month (post-trucking)

Living Expenses: \$2,800/month (78%)

- Land payment: \$400
- Truck payment: \$520
- F-350 payment: \$520
- Food: \$300
- Utilities: \$200
- Gas: \$400
- Misc: \$460

Wealth Building: \$0/month (0%)

Debt accumulation: -\$500/month

Result after 20 years: Broke

WHERE TO CUT IF YOU'RE OVER 70%:

Priority 1: Housing (Get below 15%)

- Get roommates (save \$400-800/month)
- Downsize to smaller/cheaper place
- Move to lower-cost area
- House-hack (buy duplex, rent out half)
- Sell house, buy mobile home outright

Potential Savings: \$_____/month

Priority 2: Transportation (Get below 10%)

- Sell financed car, buy \$5K used car with cash
- Bike/walk/public transit when possible
- Carpool to work
- Move closer to work
- Negotiate lower insurance

Potential Savings: \$_____/month

Priority 3: Food (Get below 15%)

- Cook all meals at home (no restaurants for 30 days)
- Meal prep on Sundays

- Buy generic brands
- Shop sales only
- Pack lunch for work

Potential Savings: \$_____/month

Priority 4: Eliminate Subscriptions

- Cancel streaming services (keep 1 max)
- Cancel gym (workout at home or outdoors)
- Cancel magazine subscriptions
- Cancel unused apps/services
- Negotiate phone/internet to cheaper plans

Potential Savings: \$_____/month

Priority 5: Entertainment (Get to 5%)

- Free activities (parks, hiking, libraries)
- Host game nights instead of going out
- Borrow books instead of buying
- Cancel paid hobbies temporarily

Potential Savings: \$_____/month

TOTAL POTENTIAL SAVINGS: \$_____/month

This goes straight to wealth building.

THE DEBT PAYOFF PLAN:

If you have debt, follow this order:

Step 1: Build \$1,000 emergency fund first (prevent new debt)

Step 2: List all debts smallest to largest (ignore interest rates)

Step 3: Pay minimums on everything except smallest debt

Step 4: Attack smallest debt with every extra dollar

Step 5: When smallest is paid off, attack next smallest (snowball)

Step 6: Repeat until debt-free

Step 7: Redirect all debt payments to investments

My Debts (List from smallest to largest):

	Debt	Balance	Minimum Payment	Interest Rate	Target Payoff
1.	_____	\$ _____	\$ _____	_____ %	_____
2.	_____	\$ _____	\$ _____	_____ %	_____
3.	_____	\$ _____	\$ _____	_____ %	_____
4.	_____	\$ _____	\$ _____	_____ %	_____
5.	_____	\$ _____	\$ _____	_____ %	_____

Total Debt: \$ _____

Total Monthly Payments: \$ _____

Extra amount to throw at smallest debt: \$ _____

Debt-free date (projected): _____

MONTHLY TRACKING (3-Month View)

Track your progress over time:

Category	Month 1	Month 2	Month 3	Target
Income	\$ _____	\$ _____	\$ _____	—
Housing	\$ _____	\$ _____	\$ _____	15%
Transportation	\$ _____	\$ _____	\$ _____	10%
Food	\$ _____	\$ _____	\$ _____	15%
Other Expenses	\$ _____	\$ _____	\$ _____	30%
Total Expenses	\$ _____	\$ _____	\$ _____	70%
Wealth Building	\$ _____	\$ _____	\$ _____	30%
Surplus/Deficit	\$ _____	\$ _____	\$ _____	\$0+

THE 30-DAY CHALLENGE:

Try this for 30 days:

- Day 1-7: Track every expense (write it down)
- Day 8-14: Identify 3 areas to cut
- Day 15-21: Cut those 3 areas completely
- Day 22-30: Live on 70% or less

If you can do it for 30 days, you can do it forever.

NEXT STEPS:

- Fill out this budget with your actual numbers
 - Calculate your 70/30 split
 - Track every expense for 30 days
 - Cut expenses until you hit 70% or less
 - Automate the 30% to savings/investments
 - Review and adjust monthly
 - Download the complete Wealthy Janitor Toolkit at RichAbbott.com/wealthy-janitor-toolkit
 - Read the book: "**The Wealthy Janitor: The Billion-Dollar Mistake That Taught Me How Regular People Actually Get Rich**" by Rich Abbott
 - Subscribe to The Stewardship Newsletter at RichAbbott.com/newsletter
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THE BOTTOM LINE:

You cannot build wealth if you spend everything you make.

Sam lived on 30% of his income and invested 70%.

I spent 100%+ and invested nothing.

The difference is now \$8 million.

Start living on 70% today.

Remember:

The wealthy janitor didn't get rich because he made a lot of money.

He got rich because he lived on very little and invested the rest.

You can do the same.

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