Know Your Payday, Plan Your Month

Fixed income means the payday is known. Plan the month around the day it lands.

A fixed income gets talked about like a problem. Looked at plainly, it has one real advantage: there are no surprises about when the money comes. The check lands on a known day, for a known amount. The whole month can be drawn around that day — if you know your payday and split the month honestly around it.

Peggy's November shows how, because her month has a wrinkle: her big check lands on the 18th, and plenty of her bills don't.

The example — Peggy's November

Here's a real worked example, the same one printed on our Fixed-Income Budget Planner. Peggy Lawson is 76. Her birthday is March 14th — and for Social Security, your birthday sets your Wednesday. Hers lands on the **3rd Wednesday**: in November, **Wednesday the 18th**.

Her month page reads: **in $1,822** (Social Security $1,512 + pension $310) · **out $1,418** · **money left over $404**.

The Social Security is counted once, and only once: $1,714.90, minus the $202.90 Part B premium, is the **$1,512** that actually lands. Her pension, **$310**, lands on the 1st. And she starts the month with a **$900 cushion** in the bank.

The month splits in two piles

Due before the 18th — $540 in all:

> **Supplement + Part D** — due Nov 1, $180
>
> **Internet** — due Nov 5, $60
>
> **Electric** — due Nov 8, $118
>
> **Gas (heat)** — due Nov 12, $86
>
> **Car insurance** — due Nov 15, $96

Her pension and her cushion carry this pile — and on her calendar page, she can *see* that they do. That's the cushion's first job: not an emergency someday, but these five bills, this month, before the check lands.

After the check lands: water $54 (Nov 19) and phone $45 (Nov 22) line up behind it, and the bank ends the month at **$2,083**. Count it the other way — $900 cushion + $1,822 in - $639 of bills — same answer: **$2,083**. When both counts agree, the month is understood.

The rest of her out column: medical she handles, **$89** (prescriptions $64 + copays $25) · everyday **$465** (groceries $320 · car & gas $90 · household & personal $55) · a once-a-year set-aside of **$225** — the bills that come once a year, saved for monthly so they never arrive as a shock.

The leftover gets its orders

The **$404** left over doesn't sit around hoping. It has orders, written on the page:

- **$150** to the roof fund
- **$100** stays as her cushion
- **$154 on purpose** — Christmas for the grandkids, and lunch out with her sister

Planned joy is in the budget on purpose, in the open — not squeezed out guiltily at the end.

The steps

- **Find your payday.** For Social Security, your birthday sets the Wednesday. Write the actual date on the month — not "mid-month," the date.
- **Split the month into two piles:** what comes due before the check, and what comes due after.
- **Count the check once.** The amount that lands is the amount after anything taken out first — like the Part B premium — never the headline figure counted twice.
- **Give the cushion its job.** Its first job is carrying the before-pile. That's what it's for.
- **Count the month both ways** — the running count, and cushion-plus-in-minus-bills. Same answer both ways means the month is truly planned.
- **Give the leftover its orders** — savings, the cushion, and something on purpose, all in writing.

The honest part

One more thing the calendar knows: paydays move. When Peggy's payday group fell on Veterans Day — Wednesday the 11th was the holiday — that group's November payment arrived a day early, on Tuesday the 10th. Federal holidays shift the money *earlier*, never later. Knowing that in advance is the difference between a plan and a worry. And the honest limit of this lesson: it assumes the income itself is steady. Fixed income's risk isn't the calendar — it's a cost that jumps. That's what the cushion, refilled first out of every leftover, is standing guard against.

The free way

A calendar and a notebook page run the whole month: the payday circled, the bills written on their due dates, the two piles added up, the month counted both ways, the leftover's orders written down. Plenty of good months have been planned on exactly that.

If you'd rather skip the setup, the ready-made version of this planner is our Fixed-Income Budget Planner, in the shop — the calendar page and the month page laid out around your payday.