

# My Personal Budget



1. Open the file “Budget Starter” and follow the instructions below to complete your own personal budget.
2. Enter all the calculations below under the column heading “**Expected**”.
3. Calculate what your **expected take home income** will be after high school/college. (Hourly wage X number of hours worked in a week X 4 weeks) = expected gross income. Then you have to pay taxes out of your paycheck. So take the expected gross income x 7.5% = taxes that will be withheld from your check. Subtract the taxes from the gross income and you will have how much money you will bring home monthly. Just as an FYI – minimum wage is \$7.25 per hour.
4. Think about how much you eat in a day. Calculate how much money you spend on **food** a day. For example, if you go through a box of cereal and a gal. of milk in a week for breakfast then the box of cereal is \$3.50 and a gal. of milk is \$3.25. So add those together and divide by 7 days in a week. This is how much you spend on breakfast. Now, everyday you have a meal from DQ for lunch and it costs about \$8.50 cents for that. Add it to your breakfast cost. Now calculate your dinner meal cost and add it to your daily cost. Multiply your daily cost by the number of days in that month and you have how much money you need for food.
5. If you plan on having a home **phone**...you are looking at about \$20 per month. If your planning on having internet as well you need to add \$40 per month. If your planning on having dish with 180 channels and some movie channels you need to add \$50 per month. If you have a cell phone, you need to add your monthly cell phone charges in here.
6. **Utilities** normally include you electricity, water, gas, and trash pickup. If you are planning on living in an apartment, a lot of times apartments will pay some of your utilities for you and you will probably only pay about \$75 per month. If you are going to live in a house, you can plan on paying about \$173 per month. If you plan on having a roommate you can divide this expense by the number of roommates you plan to have to calculate what your share of the utilities will be.
7. **Rent**. Go on the internet and look at apartment costs where you plan to live. If you plan to live in a two bedroom apartment in Tyler and have a roommate, then you would look up the costs of a two bedroom apartment in Tyler and divide the expense by 2. That would provide your share of the rent cost. If you plan on living in a house, will it be a house that is paid for or one that you are purchasing? Will you continue to live with your parents? Really try to be as accurate as you can with your plans, this is designed to give you a “real” look at how much money you have to earn to support yourself!
8. **Automobile Loan**. Do you have a car payment? If so, enter it. If not, do you plan to have a car payment? Many car dealership websites have a calculator for you to figure out what your monthly car payment will be on a car loan. Most of you will be paying about 6% interest on a car loan if you were to purchase one today. So, enter the entire cost of the car your going to buy and the interest amount into a dealership calculator to find out what your car payment will be. You can find an deal calculator at <http://www.edmunds.com/calculators/> It is important for real life for you to know how to figure car expense!

9. **Gas** expenses are on the rise. You can use the internet to look up what size gas tank is on the car of your choice. Today, gas prices are around \$3.50 per gallon of gas. By summertime, you will expect to see gas prices around \$4.00 per gallon. If you have a 16 gallon gas tank on your car, multiply 16 by 4.00. Then if you plan on driving a lot you may need to plan on purchasing at least a tank of gas every week. So, multiply by 4 to get the amount of gas money you need for the month.



10. If you have a car you will pay **car insurance**. It is the law. Girls can plan on spending about \$130 per month, and boys can plan on spending about \$175 per month.

11. How much money do you spend on **entertainment**? This is extra money to go out to eat on, go bowling, go to the movies, and etc. By the way, guys...if you have a girlfriend you need to plan on double as you will be paying your girlfriends part. Hey, the key here is to be honest. Really think about how often you go out and what you expect to pay.



12. Think about what you pay for **clothes**. Are you a shopper and like to buy something new every week? Are you a shoe hoarder? What kind of cloths will you need for your job? Really put some thought into this and decide what you “Have to Have” instead of “What You Want”. By the way, you need to add toiletries to this category. Ladies will spend more here than men. If you buy deodorant, shampoo, & soap...then plan about \$20 per month for toiletries. If you buy makeup, special hair gels, perfume, cologne, pedicures, manicures, massages, hair dye, haircuts and etc. expenses will need to be added.

13. **Medical expenses** can be very costly. If you are working an hourly job, you typically won’t have medical insurance through your employer. If you have medical insurance through your employer, you can expect to spend about \$150 per month for medical insurance. With medical insurance you will still have a co-pay of about \$25 per doctor visit, dental visit, or vision visit. If you don’t have it from your employer, you can expect insurance to cost about \$300 per month. If you don’t plan on having insurance, then you need to think about how many times you go to the doctor each month or each year. Without insurance you can plan on paying about \$150 per doctor visit. Also, dental visits are about \$175 per visit. If you need eye exams, or glasses each year you can add \$150 for the exam and \$150 for glasses or contacts. If your making your calculations based on how much you spend in a year, be sure to divide by 12 to get your monthly expense. If you don’t have medical insurance, hope that you never have a major illness, or are ever involved in an accident!!

14. **Savings**. One of the most important aspects of life is realizing that you won’t be able to work forever. You need to start putting money away to help you when you retire...or even for when life throws you that ugly curve ball. The thought is you should always “pay” yourself first before paying anyone else! Even if you can only afford \$25 per month you need to start saving. Once you’re making enough money, you can increase this amount to equal about 5% of your take home pay. Also, if you give money to the church regularly, this is where you can subtract it from your budget. Most people who tithe give about 10% of their money to the church. Most churches understand if you can’t give the 10%, and say give what you can and that means volunteering as well.

15. Enter the **formula** to add up all of the **expenses**. Make sure you do not include the income line in your expenses calculation.

16. For the **balance line**, we will be looking at how much money you will have left over from you income after you pay all of your expenses. Enter the formula to subtract your expenses from your income to get the balance. If

your balance is a negative number, then you need to look at your plan and figure out where you can cut expenses. If your balance is a positive number, then look at your plan and figure out where you should put your “extra” money. I hope you put it in savings...as that would be the SMART thing to do...and will help you build wealth a whole lot faster in your life!

17. Go ahead and use your expected column figures and put them in for your **Jan – June actuals**. Normally, as you spend money, each week you should add it to your actual expenses for the month. This will help you keep track of how much money you have spent and keep you from spending too much in one area, which will allow you to save for the bills as they come in. For this project, we will just use your expected numbers.



18. **Copy the formulas over into the other columns.** Select where the formula is written, move the mouse to the lower right corner of this cell. When the cursor turns into a small black plus sign "+", it is on the fill handle. Next, hold the mouse down and drag this fill handle to the right until the last cell.
19. **Add Dollar Signs and Decreasing decimals.** Click on B4 and drag to H17. On the ribbon, click the home tab and from the number group, click the **currency style button**. From the home tab under the number group, click the **decrease decimal button** twice to remove the cents. You are only dealing with whole dollars.
20. **Widen the columns.** Move the mouse over the line between the letter that separate the column. The cursor turns into a resizing pointer "+". **Click and drag** the mouse to adjust the column to the size you want.
21. **Format with format cells button.** Select the word "Budget". Hold the control key down and click on Expected, Jan. actual, Feb. actual, March actual, April actual, May actual, and June actual; Total Expenses, and Balance to select them. Click the **home tab and from the cells group, choose format**. From the drop-down menu, choose format cells. Click the font tab and make your choices: Font = **Comic Sans MS**, Font Style = **Bold**, and Size = **14**, then click the alignment tab. At the **alignment dialog box** under Horizontal, choose center from the drop-down menu. Click the fill tab and choose **light gray** (2 down), then click ok. (You may have to widen the columns after formatting.)
22. **Border the Table using the format button.** Click and drag the mouse to select the table you have created. Click the home tab and from the cells group, click the **format button** and choose format cells from the drop-down menu. Click the border tab. Select the **outline** button and the **inside** button and click OK.
23. **Save** the file, and name it "Yournamebudget" and turn in to the **turn-in** assignments folder in school web-lockers. Congratulations! You now have a plan to be able to support yourself after high school/college, and a way to keep track of your expenses to make sure you able to pay your bills!



# Stretch Your Money!

