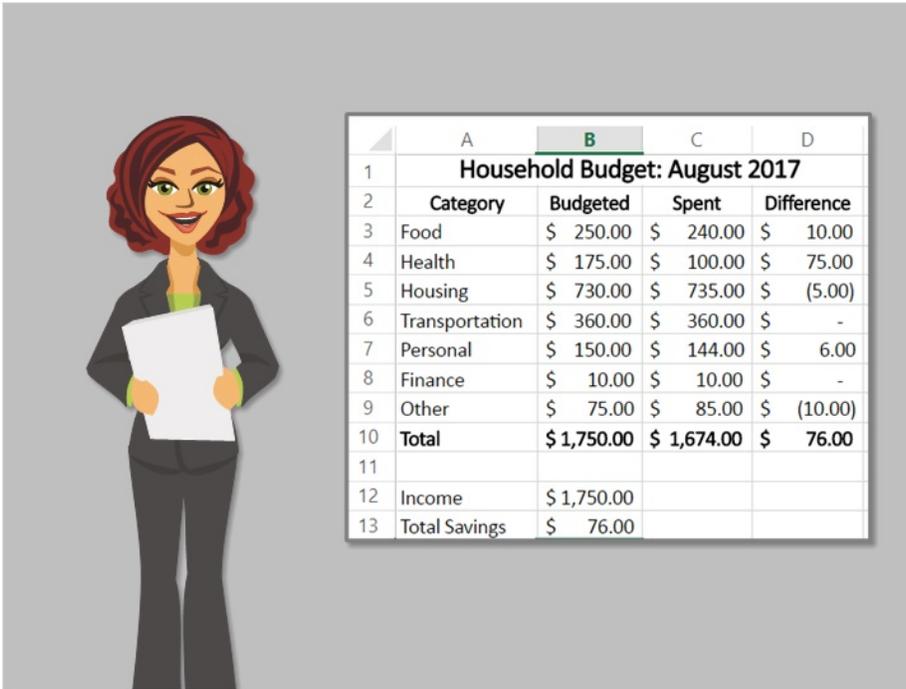


Planning a Household Budget



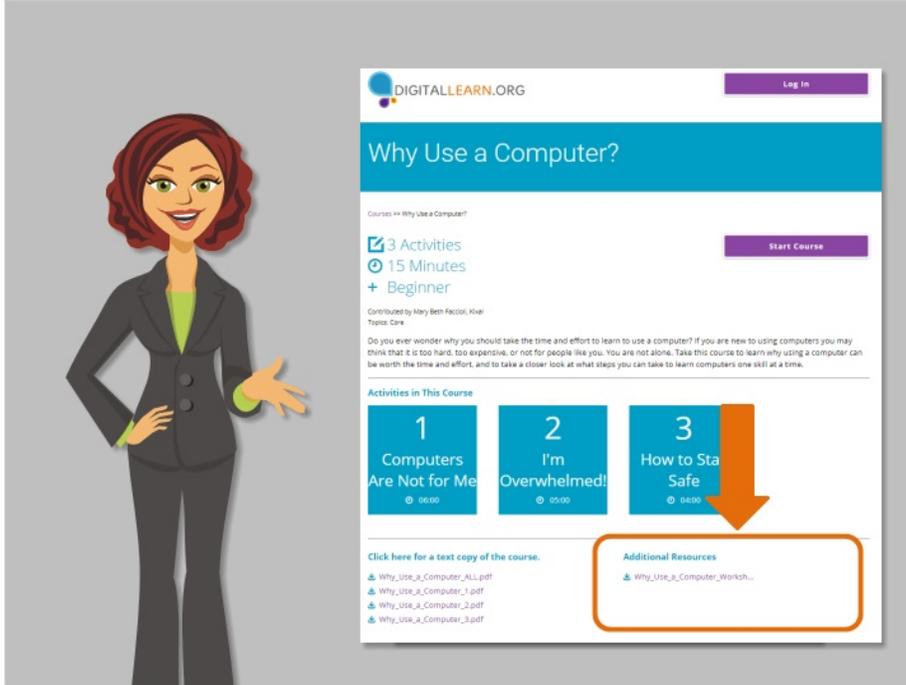
	A	B	C	D
1	Household Budget: August 2017			
2	Category	Budgeted	Spent	Difference
3	Food	\$ 250.00	\$ 240.00	\$ 10.00
4	Health	\$ 175.00	\$ 100.00	\$ 75.00
5	Housing	\$ 730.00	\$ 735.00	\$ (5.00)
6	Transportation	\$ 360.00	\$ 360.00	\$ -
7	Personal	\$ 150.00	\$ 144.00	\$ 6.00
8	Finance	\$ 10.00	\$ 10.00	\$ -
9	Other	\$ 75.00	\$ 85.00	\$ (10.00)
10	Total	\$ 1,750.00	\$ 1,674.00	\$ 76.00
11				
12	Income	\$ 1,750.00		
13	Total Savings	\$ 76.00		

Hello! I'm Kate, and I'm here to show you how to create a budget on the computer.

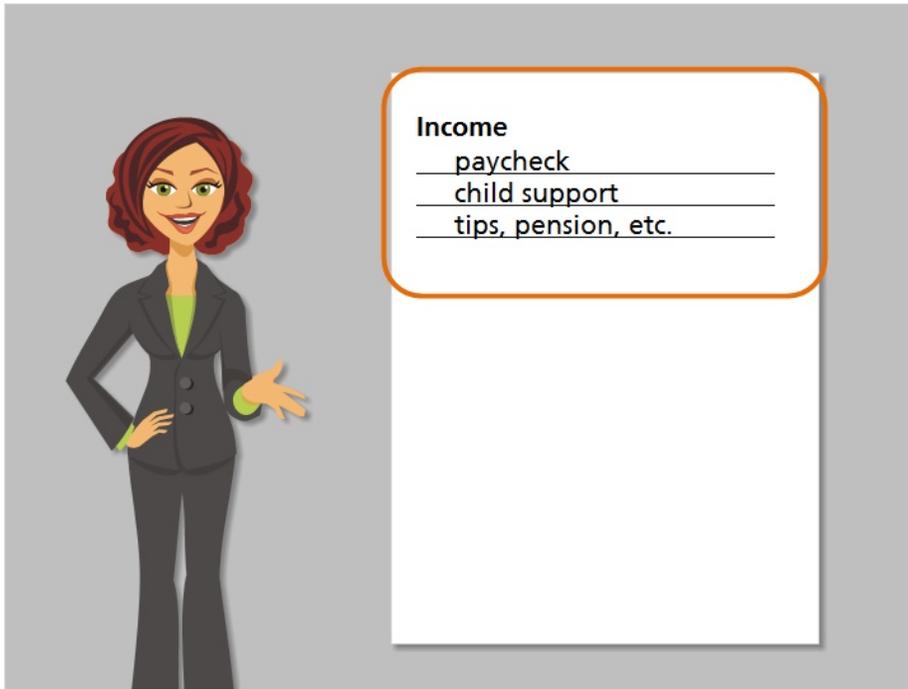
Our budget will track how much we spend in one month, and compare it to our goals and income.



Using a household budget can help you get a realistic picture of how much you're spending so that you can save money to meet your goals. It can also help you make important decisions about how much you can afford and which expenses could be lowered.



Before we create our budget, we need to do some planning. We'll make a list of our normal sources of income and expenses. This list will be different for every household. We'll provide a sample that you can change to match your situation. You can also visit the resources included with this course for help on how to plan for a budget and save money.



First, make a list of any sources of income that you typically receive. This could include your paycheck, child support, or other types of income. The dollar amounts may change, so don't worry about listing those yet.

Income

- paycheck
- child support
- tips, pension, etc.

Common Expenses

Housing

Rent or mortgage
Insurance
Utilities
Taxes

Food

Groceries
Meals out

Transportation

Gas
Insurance
Car loan
Maintenance

Health

Medications
Insurance
Doctor's Visits

Personal/Family

Child care
Clothes
Entertainment

Finance

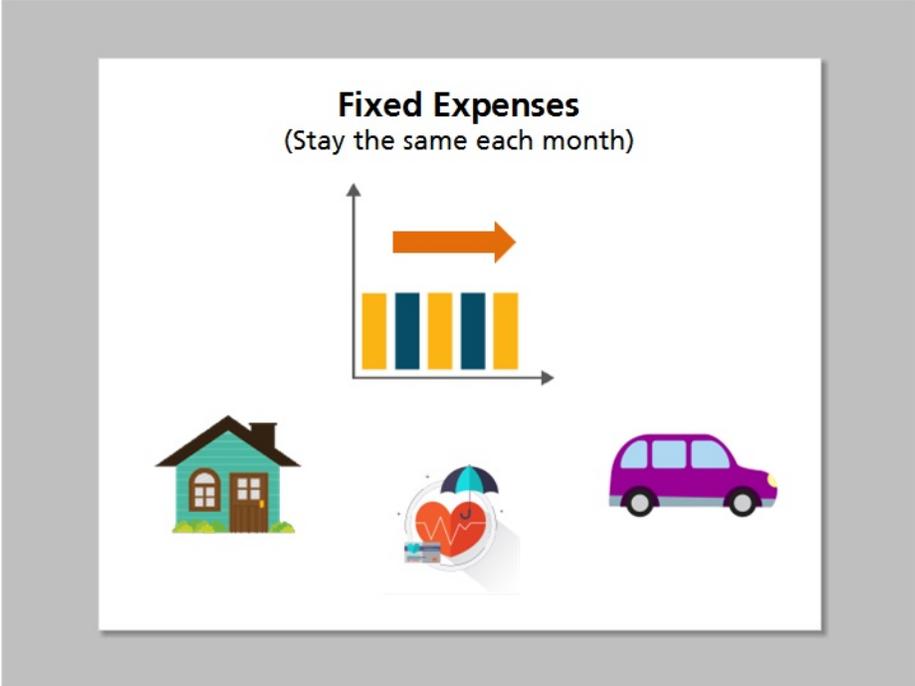
Bank fees
Credit card interest

Next, make a list of all your typical expenses. Try to group them into categories that make sense. Some common categories are: housing, food, transportation, health, personal and family, and finance. You can also have a miscellaneous or "Other" category for anything that doesn't fit in, or a one-time expense such as a plane ticket. These are some common expenses that you might want to include. Review this list and click "Next" when you are ready to continue.

Common Expenses:

<u>Housing</u> Rent or mortgage Insurance Utilities Taxes	<u>Health</u> Medications Insurance Doctor's Visits
<u>Food</u> Groceries	<u>Personal/Family</u> Child care Clothes

Meals out	Entertainment
<u>Transportation</u>	<u>Finance</u>
Gas	Bank fees
Insurance	Credit card interest
Car loan	
Maintenance	



Fixed Expenses (Stay the same each month)

Once you’ve made your list of expenses, think about which ones are “fixed” or stay the same every month. This could include your rent or mortgage, health insurance, and car loan.

These are expenses that you don’t have much control over from month to month. However, you can sometimes shop around before signing a contract to save money in these areas.



Flexible Expenses (Change each month)

Now think about which expenses are “Flexible.” How much you spend in these areas can change each month. This includes groceries, restaurants, utilities, gas, home or car repairs, clothes, and entertainment or hobbies.

If you are trying to save money, spending less on these categories is a good place to start.

Which of these is a Flexible Expense that changes from month to month?

- Rent
- Health Insurance
- Car Loan
- Restaurants

Submit

Which of these is a Flexible expense that changes from month to month?

Correct Choice	
	Rent
	Health Insurance
	Car Loan
X	Restaurants (Correct)