

Activity 4.2 Budget for Margaret Brown

Directions: Prepare a monthly and yearly budget for Margaret Brown based on the information given. Margaret is single and lives alone in a rented apartment.

Monthly net pay totals	\$1,620
Interest income on savings	<u>400</u>
Total income (average)	\$2,020

Average monthly expenses:

Rent.....	\$750	Cell phone.....	50
Utilities.....	100	Groceries.....	200
Gasoline.....	80	Miscellaneous.....	75
Insurance.....	125	Personal care.....	35
Clothing.....	65	Gifts and donations.....	10
Recreation/entertainment.....	100	Savings/Investments	
Car payment.....	220	Stocks (mutual fund).....	75
Car repair/maintenance.....	40	Savings account.....	To be determined

Budget			
Margaret Brown			
	Monthly	Yearly	
Income			
Net paychecks	\$ _____	\$ _____	
Other income.....	_____	_____	
Total income.....	\$ _____	\$ _____	
Expenses			
Fixed expenses:			
Rent.....	\$ _____	\$ _____	
Utilities.....	_____	_____	
Car payment.....	_____	_____	
Insurance.....	_____	_____	
Total fixed expenses.....	\$ _____	\$ _____	
Variable expenses:			
Cell phone.....	\$ _____	\$ _____	
Gasoline.....	_____	_____	
Car repairs and maintenance.....	_____	_____	
Cable television/Internet.....	_____	_____	
Groceries.....	_____	_____	
Clothing.....	_____	_____	
Personal care.....	_____	_____	
Recreation and entertainment.....	_____	_____	
Gifts and donations.....	_____	_____	
Miscellaneous.....	_____	_____	
Other.....	_____	_____	
Total variable expenses.....	\$ _____	\$ _____	
Total fixed and variable expenses.....	\$ _____	\$ _____	
Cash surplus (total income minus total expenses).....	\$ _____	\$ _____	
Allocation of surplus:			
_____	\$ _____	\$ _____	
_____	_____	_____	

Activity 4.3 Revised Budget for Margaret Brown

Directions: Prepare a revised monthly and yearly budget for Margaret Brown. She will share an apartment with a friend; some expenses, such as rent and utilities, can be divided between the roommates. But other expenses such as the car payment, insurance, cell phone, and car maintenance will not change. Rent increases to \$1,200 per month and utilities increase to \$120 per month, but these expenses will be shared equally. Cable TV and Internet service will be added (\$120 per month), which can be split. All the other expenses remain the same. Margaret wants to know how much more she can set aside for savings.

Budget Margaret Brown		
Income	Monthly	Yearly
Net paychecks	\$ _____	\$ _____
Other Income.....	_____	_____
Total Income	\$ _____	\$ _____
Expenses		
Fixed expenses:		
Rent.....	\$ _____	\$ _____
Utilities.....	_____	_____
Car payment.....	_____	_____
Insurance.....	_____	_____
Total fixed expenses	\$ _____	\$ _____
Variable expenses:		
Cell phone.....	\$ _____	\$ _____
Gasoline	_____	_____
Car repairs and maintenance	_____	_____
Cable television/Internet.....	_____	_____
Groceries.....	_____	_____
Clothing	_____	_____
Personal care.....	_____	_____
Recreation and entertainment	_____	_____
Gifts and donations.....	_____	_____
Miscellaneous	_____	_____
Other:	_____	_____
Total variable expenses	\$ _____	\$ _____
Total fixed and variable expenses	\$ _____	\$ _____
Cash surplus (total income minus total expenses)	\$ _____	\$ _____
Allocation of surplus:		
_____	\$ _____	\$ _____
_____	_____	_____