



# IT'S ALL ABOUT THE EXPENSES

## A Spending Simulation Exercise

Tracking your spending may not be as fun as meeting up with friends or playing sports, but it's an important part of life. One of the best ways to get good at tracking your spending is to practice. Use the expenses from this teen's sample calendar to complete the budget on the next page. **Tip:** You'll need to combine some of the expenses into a general category (Ex. Food/Drinks). Use the notes section to keep track of what you combined.

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29	30	1 Soccer game 5pm	2 Payday Deposit \$200	3 Coffee with Marissa \$5
4 Science Fair Today!	5 Debate Club Pizza Lunch \$8	6	7 Buy new cloths \$30	8 Photography Project Due	9 Pay Mom \$75 for car insurance	10 Concert tip on sale 10am \$30
11	12 Science Fundraiser Buy \$10 Ticket	13 Filled up w/gas \$50	14 Buy Shoes 4 Dance \$50	15 Haircut \$15	16 Payday Deposit \$175 😊	17 Yearbook Picture Day
18 Pay Dad \$50 ☹️ *phone bill	19	20 Babysit Deposit \$45	21 Concert tonight get a shirt \$15	22 Buy New Game Release \$45	23 School Play Tryouts Tonight	24 Get Gas \$50
25 School Dance & Dinner \$20	26 Mow Mr. Lee's Lawn - Deposit \$40	27	28 Volunteer at Animal Rescue Center Puppies!	29 Coffee with Marissa \$5 - 4 pm -	30	31
1	2	3	4	5	6	7

# MONTHLY BUDGET

Use the calendar on page one to complete the chart below.

MONTHLY INCOME	Amount	Notes		
Paychecks				
Babysitting				
Mowing Lawns				
<b>TOTAL MONTHLY INCOME</b>				
MONTHLY EXPENSES	Amount	Notes	Need?	Want?
Food/Drinks				
Payments to Parents				
Car Insurance				
Phone Bill				
Soccer				
Entertainment				
Gas				
Clothing				
Personal Care				
<b>TOTAL MONTHLY EXPENSES</b>				

TOTAL MONTHLY INCOME		TOTAL MONTHLY EXPENSES		BALANCE
	-		=	

1. Put a check mark next to each expense that you consider to be “needs,” and each expense that you consider “wants.”
2. Why are some expenses “needs”? Why are some expenses “wants”?
3. How could this teen change their spending to have more money leftover at the end of the month?
4. What should this teen do with their leftover money?
5. Take a minute to think about your own spending. Is there anything you should change?

\* The answers are available on page 5, so you can see how you did. Don't cheat!

**USE THE MONTHLY PLANNER ON PAGE 3, AND THE MONTHLY BUDGET CHART ON PAGE 4 TO TRACK YOUR EXPENSES.**



# MONTHLY BUDGET

Use the chart below to track your income and spending.

MONTHLY INCOME	Amount	Notes		
<b>TOTAL MONTHLY INCOME</b>				
MONTHLY EXPENSES	Amount	Notes	Need?	Want?
<b>TOTAL MONTHLY EXPENSES</b>				
TOTAL MONTHLY INCOME		TOTAL MONTHLY EXPENSES		BALANCE
	-		=	

## EXERCISE ANSWERS

MONTHLY INCOME	Amount	Notes		
Paychecks	\$375	\$200 Paycheck, \$175 Paycheck		
Babysitting	\$45	\$15 per hour - 3 hours		
Mowing Lawns	\$40	\$20 per yard - front and back		
<b>TOTAL MONTHLY INCOME</b>	<b>\$460</b>			
MONTHLY EXPENSES	Amount	Notes	Need?	Want?
Food/Drinks	\$38	\$5 Coffee, \$8 Pizza, \$20 Dinner, \$5 Coffee		✓
Payments to Parents				
Car Insurance	\$75	Pay Mom	✓	
Phone Bill	\$50	Pay Dad	✓	
Soccer	\$40	\$30 Cleats, \$10 Fundraiser	✓	
Entertainment	\$75	\$30 Concert Tix, \$45 Video Game		✓
Gas	\$100	\$50 Gas 2X	✓	
Clothing	\$65	\$50 Dance shoes; \$15 Band T Shirt	✓	✓
Personal Care	\$15	\$15 Haircut	✓	
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$458</b>			

TOTAL MONTHLY INCOME		TOTAL MONTHLY EXPENSES		BALANCE
\$460	-	\$458	=	\$2

- 1 & 2. Needs – Necessities, things you can't live without. Wants – Things that are nice to have.
3. Some categories may combine "needs" and "wants." In this example, some of the Food/Drinks expenses may be "needs" (Debate Club Pizza Lunch) while some may be "wants" (Coffee and School Dance Dinner). What is considered a "need" and a "want" may be different based on a person's priorities.
4. This teen could cut back on spending to have more money left over at the end of the month. They would want to start first with their "wants" and determine if they could eliminate (don't spend it at all) or reduce (spend less on) those expenses.
5. Cutting back on spending can be tough! Be honest with yourself on what are needs and what are wants. It can help to ask yourself, "What would happen if I didn't buy this?" Small choices can turn into big changes.