

**Exercise 10: Budget Planning**

Consider the lifestyle you want to have once you are done with school and working in your career. Follow these instructions to compare what you estimate your expenses to be with the income from your career choice.

1. Choose your ideal career, or a career that you might be interested in, from the Career Guide on pages 37-59. Multiply the hourly median wage listed for the occupation in the Career Guide by 174 (the number of hours one would work if working full-time in a typical month) and enter it in the Monthly Income box. Calculate your Taxes and Net Monthly Income.
2. Complete Step 2 by estimating how much money you think you will spend on each expense item in a typical month. Also estimate your savings each month.
3. If your "Net Monthly Income" minus "Total Expenses + Savings" is not \$0, adjust your expenses and savings until they are equal and your budget is balanced.

If you are not sure how much your expenses may be, you can search the Internet or ask your family for assistance to estimate expenses.

Step 1: Income	
Monthly income	\$
Taxes (monthly income x 0.25)	\$
Net monthly income (monthly income - taxes)	\$
Step 2: Expenses	
Rent or home mortgage	\$
Utilities (electricity, water, cable, Internet, etc.)	\$
Phone	\$
Other home stuff (furniture, toilet paper, etc.)	\$
Food - eating at home	\$
Food - eating out	\$
Entertainment and recreation	\$
Clothing	\$
Car - payments, gas, maintenance, insurance, etc.	\$
Public transportation	\$
Healthcare (insurance, doctor visits, supplies)	\$
Personal care (toiletries, haircuts, etc.)	\$
Pet (vet bills, food, etc.)	\$
Education and training	\$
Debt and loan payments	\$
Gym fees	\$
Renter's insurance	\$
Savings	\$
Donations	\$
Other expenses	\$
<b>Total Monthly Expenses</b>	<b>\$</b>
<b>Difference (Net Monthly Income Less Monthly Expenses)</b>	<b>\$</b>