

Name _____ Period _____ Date _____

Budget: Warm Up

A BUDGET is a summary or a prediction of what your income (how much you will make) will be, along with your expenditures (what you will spend money on) for a given period of time. It provides an organized breakdown of how much money you have coming to you, and how much you are spending.

A budget is important because it helps you manage your money and prioritize or pick what to spend your money on first. In addition, planning ahead with money can help you make practical and wise monetary decisions, prevent you from wasteful spending, or allow you to adjust or modify your budget if something happens that requires you to spend money you were not expecting to spend (like a flat tire, ticket, etc).

The federal, state, and local governments all create budgets based around their expected revenue and expenditures. It is the job of those elected to leadership positions in each of these types of government to determine what programs to spend money, and which things can be cut back on, or do not need to be government funded.

Throughout the next two weeks, you will be challenged to look at the budget for the city of Austin, and create a budget that you think is ideal or best serves local residents. But first, let's take a look at your personal budget.

What is MY personal budget?

Where do I GET money from (job, parents, etc)? How much do I typically earn or receive each month? (list where you get \$ from and how much you get per month in the box below)	What do I SPEND money on (food, clothes, entertainment, etc)? How much do I typically spend per month on each thing? (list as many things as you spend money on and how much you spend per month in the box below)
Monthly Income Total:	Monthly Spending Total:

1. What do I spend most of my money on?

2. Justify/Explain why you spend money on this piece of your budget.

3. What would I spend additional money on if I had more money?

4. If I had to cut back on my expenses, what would be some of the things I could cut out or spend less on?

5. What actions would you have to take in order to be able to spend less on these things you listed in Question 5?

6. What are some ways your budget will change

- After High School?
- When you start a family?
- When you are older and retire/no longer have an income?