

NAME:

DATE:

Next-Level Budgeting

Preview this document and note the main topics and ideas. Use these activity pages to take notes and record ideas as you learn. Be sure to save the document with a logical file name in your personal workspace so you can refer back to it later.

Discuss: Anatomy of a Budget

KEY TERMS

Write definitions for the key terms in your own words.

Key Term	Definition
budget	
fixed expenses	
variable expenses	
discretionary income	
balance	

Get Together: Budget “Roll Play”

You are planning to attend an event in a nearby city. You will have to travel there and spend one night away. To keep yourself from overspending, you will create a budget for this event.

- First is the research phase. Roll a die to determine the type of event, the cost, the travel costs, lodging, and food. Select or highlight your result in each section (A–E).
- Next is the budget phase. Transfer the amounts to the budget worksheet and allocate your allowance.

RESEARCH PHASE

A Roll a die to determine your event allowance. Select or highlight your result.

- Roll an even number: Receive \$400.
- Roll an odd number: Receive \$500.

B Roll a die to determine which event you will attend and the ticket cost. Select or highlight your result.

- Roll a 1: Go to a play = \$160.
- Roll a 2: Go to a concert = \$150.
- Roll a 3: Go to a theme park = \$97.
- Roll a 4: Go to a sporting event = \$56.
- Roll a 5: Go to a historical reenactment = \$28.
- Roll a 6: Go to a convention = \$66.

C Roll a die to determine where you will stay and the cost during the trip. Select or highlight your result.

- Roll a 1: Stay with a relative/friend = \$0.
(You might want to budget for a thank-you gift.)
- Roll a 2: Stay at a choice hotel = \$195.
- Roll a 3: Stay at a budget motel = \$60.
- Roll a 4: Camp out = \$36.
- Roll a 5: Stay at a hostel = \$25 per bed.
- Roll a 6: Stay at a vacation rental home = $\$240 \div$ the number of people in your group.
The entire group may use this option.

D Roll a die to decide which transportation you will use.

If you roll a 4 or 5, flip a coin to add city travel. Select or highlight your result.

- Roll a 1: Drive by car and pay for gas = \$102.
- Roll a 2: Take city transit = \$8.
- Roll a 3: Take a taxi = \$23.
- Roll a 4: Take the train = \$89. Flip a coin to add city travel.
If the coin lands on heads, add a taxi. If the coin lands on tails, add city transit.

- Roll a 5: Fly by plane = \$137. Flip a coin to add city travel.
If the coin lands on heads, add a taxi. If the coin lands on tails, add city transit.

- Roll a 6: Take the ferry = \$38.

E Roll a die to determine what kind of food you will be eating. Select or highlight your result.

- Roll a 1: Order food delivery through an app = \$60.
- Roll a 2: Eat at nice restaurants = \$125.
- Roll a 3: Eat at fast-food restaurants = \$45.
- Roll a 4: Eat groceries from home = \$30.
- Roll a 5: Purchase groceries from a store in town = \$36.
- Roll a 6: Free choice = \$60.

BUDGET PHASE

- Transfer your event allowance and your costs, to the budget in the Projected Cost column.
- Set aside an amount for savings (emergency fund).
- Subtract all the fixed and variable expenses from the allowance to determine your discretionary income.
 - *If you go over your allowance and have a negative balance, you may reroll your most expensive items.*
- Allocate all of your discretionary income so that your balance is zero.

BUDGET

	Projected Cost	Actual Cost
A Event Allowance		
Savings (Emergency Fund)		
Variable Expenses		
B Event Ticket		
C Accommodation		
D Transportation		
E Food		
Subtotal		
Discretionary Spending		
Event Refreshments		
Charity Donation		
Swag/Merchandise		
Miscellaneous		
Subtotal		
BALANCE		

THINGS HAPPEN

Things do not always go as planned. Things happen that affect even the most careful budgeteers. Use two dice to determine what happens during your trip.

- Roll a 2: Car trouble! Your car breaks down on the way to the event (or train station or airport) and costs \$122 to repair. Add \$122 to line D. Transportation expenses.
- Roll a 3: Lost ticket! You have to buy a new ticket at the venue. It costs double the original ticket price. Add the amount to line B. Event Ticket expenses.
- Roll a 4: Too much food! Your grandmother packs you lots of food. No need for food budget. Roll again.
- Roll a 5: You're a winner! You win a T-shirt, cup, hat, and poster. No need for Swag/Merchandise spending. Roll again.
- Roll a 6: Lost cell phone! Purchase a temporary cell phone for \$150. Add the amount to Miscellaneous spending.
- Roll a 7: Lost reservation! Budget Motel loses your reservation and has no other rooms available. Book another room at a nearby hotel for \$147 per night. Add the amount to line C. Accommodation expenses.
- Roll an 8: Sunburn! You forget your sunscreen and get a sunburn. You have to buy sunscreen, a hat, and soothing lotion for \$83. Add the amount to Miscellaneous spending.
- Roll a 9: Say cheese! You spend \$100 on framed pictures of you and your friends from the event photographers. Add the amount to Miscellaneous spending.
- Roll a 10: Looking good! You shop for new clothes to wear to the event and spend \$123. Add the amount to Miscellaneous spending.
- Roll a 11: Sick day! You get sick and go to the urgent care clinic. You are charged \$220 for the walk-in appointment. Add the amount to Miscellaneous spending.
- Roll a 12: Running late! You are late to the terminal and miss your connection. You have to buy a new plane/train ticket that costs twice the original amount. *If you are not traveling by plane or train, this does not apply; roll again.* Add the amount to line D. Transportation expenses.

- Use the Actual Cost column on your budget to record the incident amount.
- Transfer all other costs from the Projected Cost column to the Actual Cost column, and calculate your expenses again.
- Rework your budget as needed, and determine the new balance. The goal is still to allocate all your spending and bring the balance as close to zero as possible. *If you go over your allowance and have a negative balance, you may reroll your most expensive items.*

REFLECT

Answer the question.

1. Have you changed your thinking about future purchases? Will you try to stick to necessities and take care of your needs before your wants?