



# Making a Plan

- ◆ Look at income and expenses
- ◆ Use *will*, *have to*, and *must*

deposit

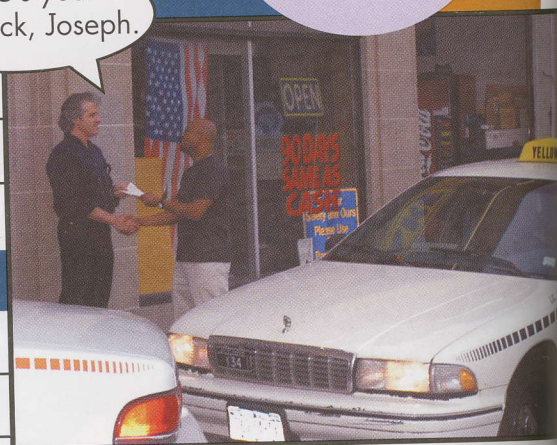
## What is in a budget?

- ◆ **Reading Tip** A chart can help you understand what you read. Read the paragraph below the chart as your teacher reads it aloud. Then study the chart. How does the reading help you understand the chart?

**Idiom Watch!**  
*add up*  
*down payment*  
*keep track of*

Budget	
Income:	\$2,093/month
- Expenses:	
= Savings:	
Savings Goals	
New Car:	\$2,000 down payment
Apartment:	\$1,600 deposit & first month's rent

Here's your paycheck, Joseph.



## A Budget Can Help Dreams Come True!

Making a budget, a plan for your money, is important. A budget will help you save your money. Making a budget can be difficult. You have to include your income, your expenses, and your savings goals. The first part is easy. You add up your income. This is how much money you earn each month. The next part is hard.

How much money do you spend each month? Keep track of all your expenses. Add them up. Then subtract them from your income. The money remaining is what you can save. Save a little money every month. Soon you will have the money you need to reach your goals.

### Talk or Write

1. Joseph is making a budget. What are his savings goals?
2. Joseph thinks he can save \$200 a month. How long will it take him to save money for a down payment on a car?
3. Why do you think it is hard to know your expenses?