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Student Reading 4.5: Hulda's Budget

Hulda came into the kitchen one afternoon. Her mom and brother were sitting at the table talking and working at Jamier's laptop. "What's going on?" asked Hulda. There had been many conversations going on since Jamier found out he was accepted to the University of Cincinnati. He was going to start classes in the fall. Jamier looked up. "Mom is helping me set up a **budget**," he said. "What's a budget?" Hulda asked.

She walked over to see what Jamier and her mom were looking at on the laptop. She saw they had started making a **table** that looked like something she would see in math class. "A budget," said Mom, "is an important tool that helps us keep track of how much money we have and what we do with it. Jamier needs to keep track of his money more carefully now."

"Do you and Dad have a budget?" asked Hulda. "Yes, of course!" answered Mom. "How does it work?" Hulda asked. Jamier pointed to the laptop. "Look," he said. "In this first **column**, I'm putting all the ways I earn money and what I have in



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my savings each week. In the next column, I'm putting all the things I spend money on each week."

Weekly Income		Weekly Expenses		Possible Unexpected Expenses
Server at Joe's Grill	\$275.00	Car Insurance	\$12.00	Car Repair
Tutoring Math	\$40.00	Gas	\$25.00	Birthday Gifts
Current Savings	\$425.00	Food	\$25.00	
		Entertainment	\$20.00	
		Deposit into Savings Account		
		Cell Phone		

Hulda looked over Jamier's shoulder at the laptop screen. "How do you figure out the **unexpected expenses**?" asked Hulda. "That's what we were just talking about," said Jamier. "We were talking about putting in a certain amount for the unexpected things each week even when I won't use it. That way, when I do need it, there is at least some money to use. A lot of this is going to change, too. Right now, I don't have that many **expenses**. I eat here at home most of the time, and Dad fills up my car with gas a lot!" "It sounds like a good idea, but it



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looks hard!” said Hulda. “Your brother is almost 18. That makes him an adult, and adults have lots of **responsibilities**, including keeping track of their money,” Mom said.

Hulda walked away and went into her bedroom. She had never heard of a budget before. In school, they had been studying economics. She had learned about goods, services, producers, consumers, and choices that have to be made. She had never thought about making a plan for her money, but it did seem like a good idea. Hulda sat down and started trying to figure out a budget for herself. After a few minutes, she had started to set up a table like Jamier’s.

Weekly Income		Weekly Expenses		Possible Unexpected Expenses
Allowance	\$10.00	Snacks	\$ 2.50	Birthday Gifts
Current Piggy Bank	\$ 8.12	Books		
Current Bank Savings	\$98.50	Toys		



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“I’m going to need some help with this,” Hulda thought to herself. She didn’t always buy a book or toy each week. She usually spent fifty cents in the snack machine for a snack after gymnastics. She knew when her best friend’s birthday was, and thought about the other parties she had been invited to and had taken a gift. Those were not weekly. They were not even monthly. She would have to ask her Mom or Dad to help her think about other things to put on her lists and how to figure out the amounts for each thing. “I really like this,” thought Hulda. “I want to save money for that science explorer kit I saw at the museum. This is a good way to help me keep track of my goal!”

Just then, Hulda’s mom knocked on her bedroom door to collect laundry. “Hey, Mom! Look at this. Will you help me figure out my budget plan?” asked Hulda. Hulda’s mom smiled. “Of course,” she said. “There is no better time to learn about keeping track of your money than right now.”

The two sat down on Hulda’s bed and began to work on Hulda’s budget plan.

