

Annual & Monthly Budgeting ANSWER KEY

1. $\$36,000 \div 12 \text{ months} = \$3,000$
2. $\$3,000 - (\$650 + \$200) = \$2,150$
3. $\$2,150 - (\$100 + \$50) = \$1,990$
4. $\$190 \times 4 = \600
5. Total of previous expenses = $\$650$ [rent] + $\$200$ [utilities] + $\$100$ [car insurance] + $\$50$ [phone/tablet/internet] + $\$600$ [groceries] = $\$1,600$

What Ed has left for flexible expenses = $\$3,000 - \$1,600 = \$1,390$