

Cable Television

Cable Television is not so much a utility as it is a luxury service. Given the limited amount of your income, you need to evaluate whether or not you can afford any cable services. Keep in mind that you will need electricity and heat, but you will not **NEED** cable. Ten cable companies are licensed to operate in the Commonwealth. Cablevision and Comcast are available throughout the state while each of the others covers a certain area. Satellite television is another option. If you choose this option, you will have to purchase the dish which could range from \$25-100 (installation is not always included) and you will have to pay extra to receive regular TV channels. Before purchasing this option, call ahead of time to make sure you are able to have this service, sometimes there might be obstructions in the way of the dish, for example: a tree, light pole, etc.

Evaluate the sample costs of cable television listed below to see which option you would be able to afford, if any (remember this is just one company, keep in mind prices may vary).

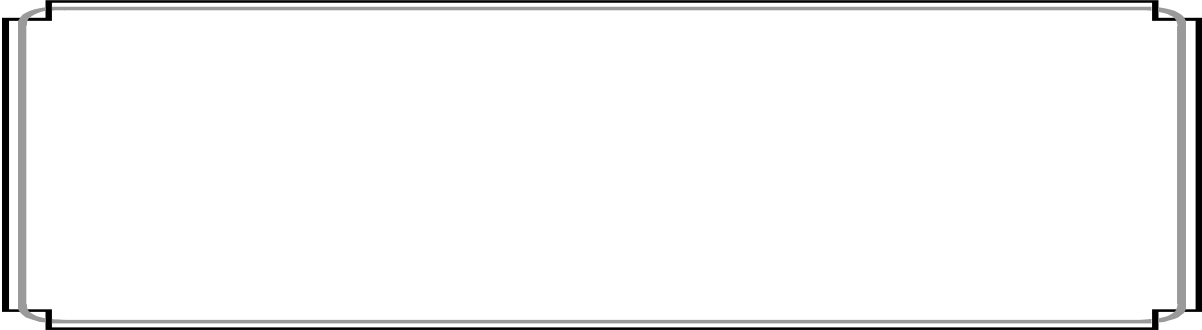
1. Basic Service: \$11.27 (this just gives you a clear picture for network television)
2. Basic and Expanded Service: \$47.50 (basic cable stations, no movies/sport channels)
3. Analog/digital cable box: \$3.96 per month in the house
4. Remote control: \$0.20 each
5. Digital Complete Basic: \$54.95
6. Digital Complete Basic with Pipeline (pipeline is internet through the cable company, not phone company: (basic cable, no movie channels)
7. Digital MVP package: \$78.95 (includes some movie/sport channels)
8. Digital MVP plus package: \$86.95 (includes an extended amount of movie/sports channels)
9. Digital Leadership package: \$109.95
10. Digital Leadership Plus package: \$117.95

*You can also purchase a la carte, for example you can purchase basic cable and then purchase certain movie packages by themselves, which range from \$3.95 to \$25.95 extra.

Before purchasing cable make sure you find out how much all the packages are and what they include before making your decision.

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Would you use/not use any of the cable services offered? Explain.



If appropriate, enter the amount of monthly cable charges onto your personal budget sheet on the “Cable” line under Utilities.

Other Expenses

In addition to monthly costs, some utility companies require security deposits and charge installment fees. For further information, refer to Module IV.

Food

Similar to the varying cost of utilities in the previous section, the cost of food will greatly depend on your living situation, eating habits, and your efforts to save money.

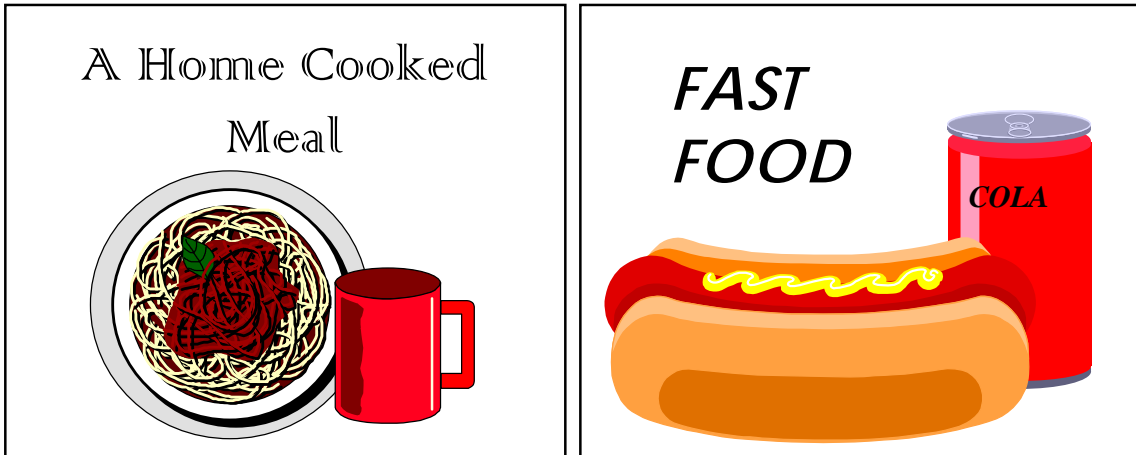
Eating Out

Eating out is always expensive. On a limited budget, you should be careful you are not overspending on what should be an occasional luxury.



ACTIVITY

Compare the price of a fast food meal with that of a home-cooked one using the example below.



Home Cooked

Box of pasta (store brand): \$0.80

Tomato Sauce: \$1.50

Ground Beef: \$1.20

Can of soda: \$0.75

Total

Less than \$4.25 since spaghetti is more than one serving

Fast Food

Deluxe Hamburger: \$2.80

French Fries: \$1.95

Large Soda: \$1.45

Tax: .5%

Total

\$6.51

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If you ate at a fast food restaurant ten times per week, how much money would that cost?

If you ate fast food ten times a week for an entire month, you'd eventually spend somewhat more than \$250 or almost one-third of your monthly budget!

Choosing a Grocery Store


Choosing the right grocery store can help to save money. It is important to choose a store that offers good deals on a range of products. At times, however, the store with the lower prices or larger variety might be not be in your immediate neighborhood.

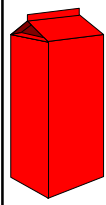


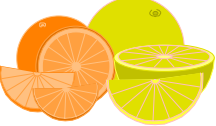
ACTIVITY

Compare the location and advertised prices of these two grocery stores.

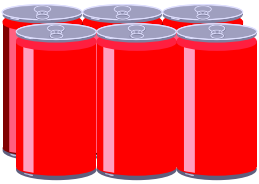
NEIGHBORHOOD GROCERY
(Right Around The Corner From Your House!)

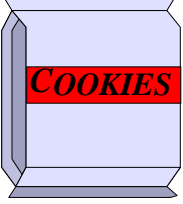

10" Frozen Pizza
\$3.25


Vitamin Enriched MILK
One Qt
\$1.99

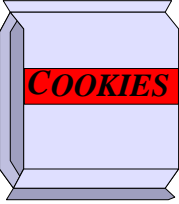

Oranges \$0.99 per lb
Grapefruit \$1.49 each!

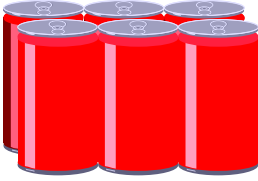
GRADE AA Chicken
95¢lb.



6Pack of Cola
Only \$2.19 !!!

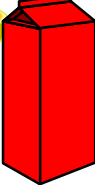

COOKIES
Only \$2.99 !!!

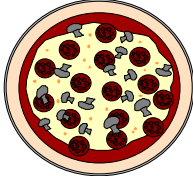
BIG AND SAVE SUPERMARKET
(One and a Half Miles from Your House!)


COOKIES
Now \$1.50!!!


24Pack of Cola
Just \$3.99 !!!


Oranges \$.79 per lb
Grapefruit \$.99 each


Vitamin Enriched MILK
One Gallon
\$3.19


12" Frozen Pizza
2/\$4.00

SPECIAL THIS WEEK ONLY!!
GRADE AA Chicken
69¢lb.

Which store would you shop in? Explain your choice:

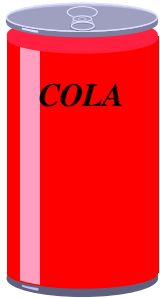
Determining the Best Buy

When on a limited budget, it is important to be an educated consumer and to develop the ability to determine the best value for your money. Comparing prices might take a little extra time but it often saves a great deal of money. One way to shop economically is to compare different brands of the same product. Often, store brand products are cheaper than name brand products, although many people seem to prefer name brands that have fancier packaging and familiarity. Packaging can be deceiving. Many times you may think you are getting a cheaper price when, in truth, you aren't. Another way to determine the best buy is through unit pricing.



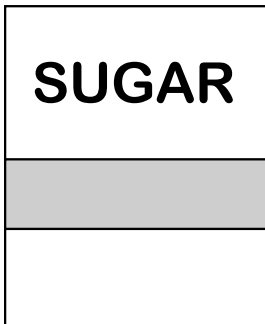
ACTIVITY

Evaluate the items listed below and determine which one you would buy.



Name Brand Cola	Or	Generic Cola
12 Cans		24 Cans
\$3.19		\$3.99

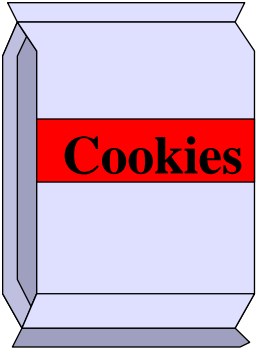
I would buy the _____ cola because _____



1 Pound of Sugar	Or	½ Pound of Sugar
\$1.98		\$1.04

I would buy _____ of sugar because _____

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20 oz. Chocolate Chip Cookies

Or

12 oz. Chocolate Chip Cookies

Paper Packaged
\$1.99

Packaged in Decorative Tin
\$2.99

I would buy the _____ of cookies because _____



TUNA

Solid White Tuna

Or

Chunk Light Tuna

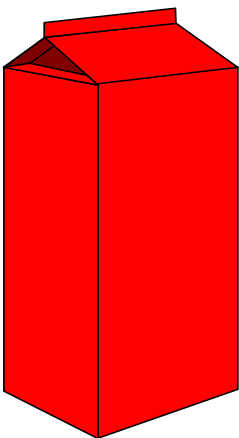
6 oz.

6 oz.

\$1.29

\$.89

I would buy the _____ tuna because _____



1 Gallon Milk

Or

½ Gallon Milk

\$3.19

\$1.99

I would buy _____ of milk because _____

At times, price-per-unit shopping isn't always the wisest method. In some cases it depends on the amount of an item you can handle. The larger size of milk may be cheaper in relation to the smaller size, but that doesn't make it a better buy if the milk spoils before you can drink it all! It makes no sense to buy the larger size and have to throw some of it away!

"Economy Size" labels on any particular box do not mean that it is a better value. Also, don't base your decision solely on the size of a package; always look at the quantity written on the label.



ACTIVITY

Visit your local grocery store with your foster parent, social worker, or staff and practice determining best buys.

Coupons

Clipping coupons can save you a great deal. The amount to be saved on each coupon might not seem much, but it will add up!

Look at the coupons below and circle the ones you would use over a period of four weeks.

<p>Save 25¢ on Healthy Butter Substitute</p> <p>Expires 9/15/04</p>	<p>Save 30¢ on 3 Fat Free Yogurts</p> <p>Any Flavor</p> <p>Expires 9/30/04</p>	<p>Buy One Get One Free!!!</p> <p>Choice Frozen Dinners</p> <p>Regularly \$2.35</p> <p>Expires 6/15/04</p>	<p>Save 50¢ on One Pound package of Perk Sandwich Cookies</p> <p>Expires 7/30/04</p>
<p>Save \$1.00 on Crispy Crunch Cereal</p> <p>Expires 10/1/04</p>	<p>Save 49¢ on Frozen Vegetable Medley</p> <p>Expires 9/31/04</p>	<p>35¢ off Easy Macaroni and Cheese</p> <p>Expires 8/15/04</p>	<p>Get 2 Quarts of Milk FREE when you buy 2 loaves of Natural bread</p> <p>A \$1.75 value!!</p> <p>Expires 6/15/04</p>
<p>Save 39¢ on ten lb. bag Idaho potatoes</p> <p>Expires 9/15/04</p>	<p>Save \$1.25 on two large Presto Frozen Pizzas</p> <p>Expires 7/31/04</p>	<p>\$3 Rebate</p> <p>on one lb. of Roaster's Coffee</p> <p>Expires 9/15/04</p>	<p>75¢ off any 24-can pack of Sparkle Cola</p> <p>Expires 9/15/04</p>

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Add up the value saved on each coupon you've decided to use and write the total on the line below.

I would save \$_____ by clipping _____ number of coupons.

Go through the advertising circulars and grocery flyers in your Sunday newspaper and clip the coupons you think you would use. List them in the space below. How much money would you save if you used them all?

Make sure that you obtain a supermarket card to take advantage of the sales as well as bringing any coupons that you may have. They could really save you a lot of money. Remember always to comparison shop, you'll be sure to get the better deal.



ACTIVITY

In Conjunction with the food management section later in this module, develop a grocery shopping list (*of food items only*) for one week.

A black pushpin is pinned to the top center of a large rectangular frame. On the left side of the frame, there is a line drawing of a shopping cart filled with several brown cardboard boxes. The text "My Shopping List" is written in a bold, black, serif font to the right of the cart. A horizontal line runs across the width of the frame, positioned below the text and the cart illustration, leaving a large blank area for writing the list.

My Shopping List



ACTIVITY

Go to the grocery store of your choice and utilize your comparison shopping skills and coupons to determine the best products and values among the items on your grocery list. Add the prices of all items on your list on your calculator and record your estimate in the box below.

I would spend \$_____ each week on groceries.

Use the above amount to estimate the cost of groceries for 1 month and add costs for eating out if appropriate.

My cost estimate for one **month** of groceries is:

--

My cost estimate for eating out is:

--

My total food budget is:

--

Record your total in the **Food** section of your personal budget.

Transportation

Depending on the location of your apartment and your workplace or school, you will most likely need some means to get around. On a limited budget, it will be difficult for most of you to afford a car. Aside from the money it will take to obtain a car, there are also costs associated with maintaining one.



ACTIVITY

Evaluate the following information to decide whether or not you would be able to afford a car and its maintenance costs.



\$100 - \$300

Minimum monthly rate for car insurance **without** any collision protection or added features for people under the age of 25. (When obtaining car insurance make sure to shop around before signing a contract. If you took driver's education classes, let the insurance know because there is usually a discounted price. The rates of your insurance will change depending on your driving record, your residence and the type of car that you have).

\$25 - \$35

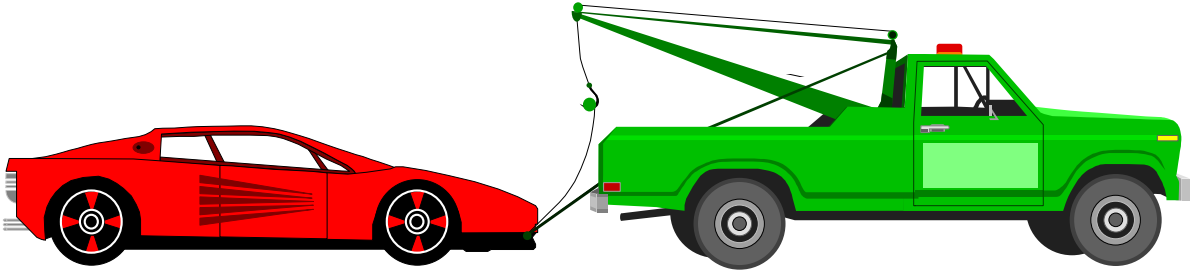
Amount owed in taxes each month (depending upon where you live and the value of the car). Make sure that you set this money aside each month for when you get your "yearly" bill, this way you will be prepared when it comes.

\$40 - \$60

Average range of upkeep per month (gasoline, oil, etc.) depending on the type and age of the car and the mileage driven. This total does not include any repairs that might be necessary. Also, keep in mind the ever increasing price of gas.

\$395.00

Total Average (based on the higher price) per month



NOTE: For additional information, refer to the “Buying a Car” section in this module.

Do you think that you could afford the upkeep of a car on a \$804/month budget? Explain your decision:

If a car is not an option for you, public transportation is a good and much less expensive alternative.



ACTIVITY

Think about your transportation needs and list them below.

I would use the subway/bus/train _____ times each week to travel to:

It is also important to remember that not every area has access to public transportation. If there is public transportation, you need to look up the schedules to make sure that the subway, train or bus comes and is available when you need it.



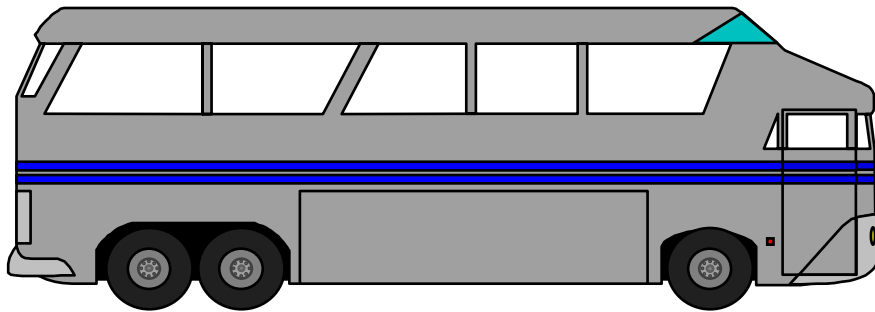
ACTIVITY

Research the costs of public transportation in your area and list them in the boxes below, if appropriate.

Single Subway Fare (Inbound or Outbound)	<input type="text"/>
Single Bus Fare (to your most frequent stop)	<input type="text"/>
Monthly Pass for MBTA subway or bus	<input type="text"/>
Single train ticket from _____ to _____	<input type="text"/>
Monthly Commuter Rail Pass	<input type="text"/>

According to your list of transportation needs and the costs of approximate fares, how much would you budget for public transportation?

I would budget:

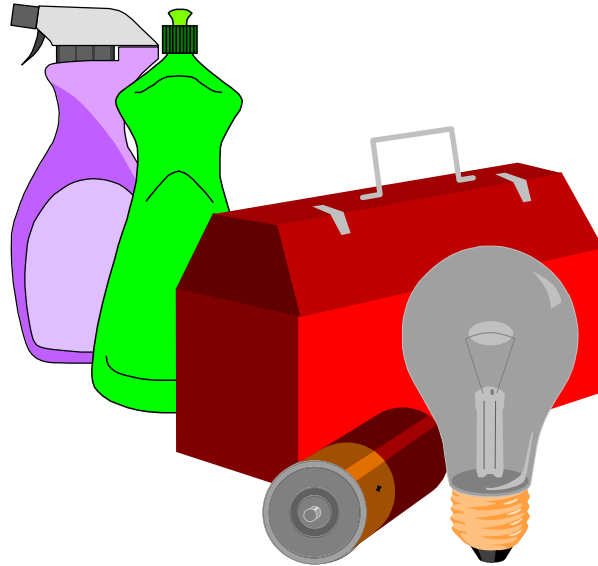


Explain your estimate:

Whether you budgeted for **Car Maintenance** costs or for **Public Transportation**, record the amount on your personal budget sheet in the designed space.

Homecare

In addition to the costs involved with obtaining furniture and household items (covered in the “Start Up” section in this Module and in Module IV), you will have to budget for ongoing home maintenance. This includes expenses such as cleaning supplies, replacement light bulbs, and minor repairs.



ACTIVITY

List all cleaning supplies you would need to clean your apartment in the space below. Research prices at your local supermarket and record them next to each item.

I Would Need

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____