

Chapter 19 Tech It! Planning Form



Tracking My Coverage

Read the following:

Silas is self-employed, and his income varies from month to month. He knows he needs to plan well and stay on top of tracking his monthly income and expenses. He wants to use a spreadsheet to organize his insurance costs and easily calculate the impact on his monthly budget of any changes to insurance costs. Silas has the following insurance policies as part of his risk management plan:

- Auto: Comprehensive auto policy with 100/50/25 limits and \$500 deductible for collision; annual premium: \$1,400.
- Renters: Policy covers replacement cost of personal, movable items; excludes equipment for business; coverage limit: \$20,000; annual premium: \$188.
- Business: Silas has a policy to cover equipment and liability for his business; annual premium: \$850.
- Health/Dental: Silas was able to buy into a group plan with a local organization at a good rate—any annual rate increases are usually announced each year in October; annual premium: \$6,350.
- Life: \$50,000 term policy to cover any final expenses and debts; annual premium: \$177.

Instructions

1. Using the table on the next page as a guide, prepare a spreadsheet that will meet Silas's needs.
2. Input the annual premium cost provided.
3. Use a formula to calculate the monthly expense.
4. Use a formula where indicated to calculate the impact of changes to policies.

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Insurance	Details	Annual Premium cost	Monthly expense
Auto	Comprehensive auto policy with 100/50/25 limits and \$500 deductible for collision		
Renters	Policy covers replacement cost of personal, movable items; excludes equipment for business; coverage limit: \$20,000		
Business	Covers equipment and liability for business		
Health/Dental	Group plan		
Life	\$50,000 term life policy		
Total Cost			
Impact of proposed 6% increase in health/dental coverage on annual premium for next year	Amount of increase		
	New premium		