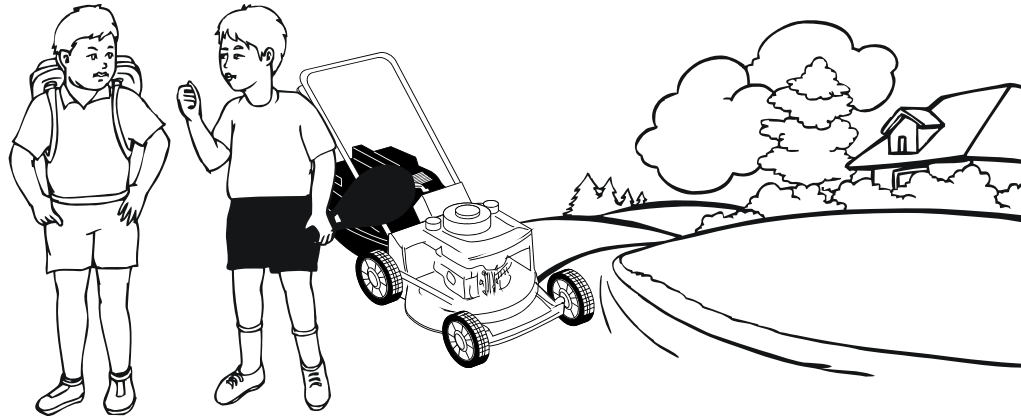


Hiring an Employee

Budgeting Expenses

Tommy was now in the 7th grade. He picked up two more clients over the winter months from 'word of mouth' (people talking to their friends) and his website. The problem was, Tommy had to practice more because he was the best pitcher on his little league team. He also had more homework than before. He needed help. Seven clients and less time - what was he to do?

He decided to find an employee to do two of the lawns. He was willing to pay 75% of the earning from each lawn mowed to the employee. The other 25% would pay for the cost of running the mower (15%) and give Tommy about 10% profit for each lawn mowed by the employee. He could not find any of his 7th grade friends that were reliable for the money he offered. He decided to give a 5th grade kid down the street a try. He had an older sister that was a classmate of Tommy's.



The employee (Danny) mowed the two lawns below. Figure out all the other expenses.

Client 6 = 650 sq. feet of lawn = \$6.50 every week

Client 7 = 1150 sq. feet of lawn = \$11.50 every week

Gross Profits (total money collected before expenses) = \$6.50 + 11.50 = \$18.00

How much money does Danny make per week (75%)?

$$\$18.00 \times .75 \text{ (75\%)} = \underline{\hspace{2cm}}$$

How much does it cost to run the mower each week from Danny's lawns (15%)?

$$\$18.00 \times .15 \text{ (15\%)} = \underline{\hspace{2cm}}$$

How much profit (net) does Tommy make from Danny's lawns (10%)?

$$\$18.00 \times .10 \text{ (10\%)} = \underline{\hspace{2cm}}$$

	<u>Money Danny makes</u>	<u>Cost of mower</u>	<u>Tommy's Net Profits</u>
Client 6 = (pays \$6.50)			
Client 7 = (pays \$11.50)			