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| --- | --- |
| DawnMarie's Monthly Budget |  |
|  |
| **October** | ***Budgeted Amounts*** | ***Actual*** | ***Variance*** |
|  | ***(dollars)*** | ***(percent)*** | ***Amounts*** |  |  |
| ***Projected Inflows (Income)*** |  |  |  |  |  |
| Salary | $2,916.00 | $100.00 | $2,916.00 |  |  |
|  |  |  |  |  |  |
| ***Projected Outflows*** |  |  |  |  |  |
| ***(Disbursements)*** |  |  |  |  |  |
| Emergency Fund and Savings: | $20.00 | $16.67 | $20.00 |  |  |
| Emergency fund savings | $0.00 | $0.00 | $0.00 |  |  |
| savings for auto insurance | $0.00 | $0.00 | $0.00 |  |  |
| Savings for vacation | $0.00 | $0.00 | $0.00 |  |  |
| Savings for investments | $100.00 | $83.33 | $100.00 |  |  |
| Total savings | $120.00 | $100.00 | $120.00 |  |  |
|  |  |  |  |  |  |
| ***Fixed Expenses*** |  |  |  |  |  |
| Rent | $500.00 | $95.24 | $500.00 |  |  |
| Mortgage payment | $0.00 | $0.00 | $0.00 |  |  |
| Property taxes | $0.00 | $0.00 | $0.00 |  |  |
| Auto loan payment | $0.00 | $0.00 | $0.00 |  |  |
| Life insurance | $25.00 | $4.76 | $25.00 |  |  |
| *Total fixed expenses* | $525.00 | $100.00 | $525.00 |  |  |
|  |  |  |  |  |  |
| ***Variable Expenses*** |  |  |  |  |  |
| Food | $500.00 | $20.91 | $350.00 | $150.00 |  |
| Utilities | $500.00 | $20.91 | $375.00 | $125.00 |  |
| Cable, Internet | $200.00 | $8.36 | $167.00 | $33.00 |  |
| Clothing | $0.00 | $0.00 | $0.00 | $0.00 |  |
| Transportation | $200.00 | $8.36 | $283.00 | -$83.00 |  |
| Personal and health care | $66.00 | $2.76 | $63.28 | $2.72 |  |
| Entertainment | $200.00 | $8.36 | $133.20 | $66.80 |  |
| Reading, education | $300.00 | $12.55 | $60.55 | $239.45 |  |
| Gifts, donations | $40.00 | $1.67 | $0.00 | $0.00 |  |
| Personal allowances, miscellaneous expenses | $0.00 | $0.00 | $0.00 | $0.00 |  |
| Pet food | $30.00 | $1.25 | $23.78 | $6.22 |  |
| Credit card payments | $300.00 | $12.55 | $300.00 | $0.00 |  |
| Cell phone | $55.00 | $2.30 | $55.00 | $0.00 |  |
| Total variable expenses | $2,391.00 | $100.00 | $1,810.81 | $540.19 |  |
| *Total outflow* | $2,916.00 | $100.00 | $2,335.81 |  |  |
|  |  |  |  |  |  |

***ANALYSIS***

Part 1

(B) In this budget I used the projected inflow amount that I think I will be making when I graduate from my course. I had a surplus of $540. I think If I had that amount left after paying bills and buying everything that needed to be bought, I would definitely put it in a savings account of some kind. Maybe a vacation savings account or an emergency savings account. You never know when something important is going to come up, so it makes you feel safer knowing you have the extra cash to help.

If I had used my projected inflow that I earn right now, I would definitely have a negative variance, so learning some saving techniques will help me a lot.

Part 2

The areas that I would cut back on are Utilities, I could try and save more on energy by shutting lights off and doing laundry at appropriate times etc. I could take the bus more often and cut back on transportation costs, the price of gas these days are outrageous. I could also cut back on the entertainment costs, I go to the movie theatre a lot and if I stayed home and watched movies on t.v or rented, I think it would be a lot cheaper.

(D) Since I started school in September I’ve been talking to one of my good friends Jean, She was a bank manager and knows a lot about saving. She and her husband have been saving money together since they were married many years ago. Some of the tips she gave me have helped her save a ton and have helped her take a great vacation at least once a year. These are the 3 most important tips she could give me that will help me create a budget that works.

* Writing everything down that you spend, including small things like a coffee or a chocolate bar. Get in the habbit of saving all receipts in case you forget to log something. This way you get an idea of where all your money is going and where you can cut costs.
* Look for sales, buy used items, or even save coupons. Most of us have urges to buy clothing, shoes and household items. You can cut costs if you go to a used store like Value Village or when you’re in a retail store you can look for sale items. You can also cut costs on groceries by collecting coupons.
* Take a certain amount of money whether it be $10 a week or $100, put it in a savings account and let it collect interest until something comes up.

These 3 tips sound pretty easy, I think it will be easy for me to follow these steps and create a budget for myself. Before doing this budget assignment I had no idea how to start saving money and budgeting myself, I didn’t realize that making a few small adjustments would help me greatly. I think starting now would be a good idea, learning to budget for my future before I graduate and start my profession.

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