

Where has all my money gone???

Some people when inexperienced with their money cannot possible understand where all of their income goes each month. In their minds, they make enough money but still can't figure out why they don't get ahead each month. The ONLY way to fix that is by doing a budget and paying attention to where your money goes each month.

Here are three scenario's of people and their finances. Determine who will meet their goals and who will not get ahead.

#1

Evan is a junior in high school. he works 15 hours a week at the local video game store. After taxes, his net income is \$600 a month. He lives at home with his parents and does not have to pay rent. They also do not make him pay utilities or food expenses. His older brother Collin owns his own jeep. He lets Evan borrow it to drive to work but charges him \$50 a month to use it. If Collin is unavailable, Evan will ride the bus. He really wants to buy his own truck, so he puts any leftover money toward savings. Evan also pays for his cell phone and some personal expenses like going to the movies, buying video games, and purchasing snacks.

Below is Evan's estimated budget and what he actually spent in one month's time. Analyze Evan's spending to determine why he is not on track to save for his new truck. Define some changes he can make to get that truck even faster.

	Budget Goals	Actual Budget
Fixed Expenses		
Savings for a Truck	100	0
Cell Phone	75	100
Car payment to his brother	50	50
variable expense		
public transportation	50	75
entertainment	50	75
personal shopping	50	175
misc spending	25	125
Total	400	600

What are some things that Evan can do to help fix his financial situation:

#2

Ashlyn just graduated from college and has accepted her first job as an Elementary Educator. Her income will be \$3000 after taxes. She just moved into a one-bedroom condo, so she is responsible for rent, utilities, food, and other household expenses. She is paying off her student loan and she wants to save as much money as she can to buy a home someday. She leases a car and enjoys going out with her friends on the weekend.

Below is her estimated budget and what she is actually spending in one month's time. Analyze her spending to see why she is not on track to meet her goals and to determine what she can do to get back on track.

	Budget	Actual
Fixed expenses		
Savings for house	450	150
rent	600	600
car lease payment	350	350
car insurance	150	150
internet/cable tc	110	110
cell phone	75	105
student loan	300	300
variable expenses		
gas	100	175
food	250	300
entertainment	100	250
personal shopping-clothes, makeup	75	300

utilities	200	275
gifts, repairs, misc spending	150	250
total	2910	3315

What are some things that Ashlyn can do to help her spending and make the goals she has set forth:

#3

Lauren is a senior in high school and works 30 hours per week cleaning houses. Her net income after taxes is \$1,500. She is trying to save up for college. She owns a car and makes payments toward it each month. She lives with her parents and does not pay rent, utilities, or food costs. She occasionally goes out with friends and buys things for herself, because she can. She grew up not having much so she wants to purchase things she never had. Even though she is trying to save for college as well. It is hard, but what else can she do.

	budget	actual
fixed expenses		
college savings	870	820
car payment	125	125
car insurance	95	95
cell phone	85	85
variable expenses		

gas	100	105
entertainment	50	75
personal shoppig	50	95
gifts, repairs, misc income	100	100
total	1475	1500

Is there anything Lauren can do to help meet her financial goals:
