

Stopping the Leaks

Name: _____

Kayla works at her parents' restaurant for about 3 hours after school each day and makes \$120 a week. She has also recently accepted a babysitting job on Saturday mornings from 9 a.m. – 1 p.m. which pays \$40 a week.

Kayla wants to save to buy a car, but she's been having trouble. Below is the monthly budget she has created for herself in order to set aside \$1,000 by the end of the year as a down-payment. There is also a copy of the log she uses to record what she spends.

Directions: Compare the log to Kayla's intended budget to help her find the leaks (the expenditures she has not accounted for.)

Budget:**Weekly Income: \$160****Monthly Income: \$640**

- | | | | |
|------------------------|-------|-----------------------------|-------|
| • entertainment - | \$80 | • transportation - | \$40 |
| • food and beverages - | \$60 | • special occasions/gifts - | \$40 |
| • clothes - | \$100 | • savings for college - | \$200 |
| • phone - | \$35 | • savings for car - | \$85 |

Expenditures Log: May 2016

Date	Purchase	Store	Total	Category
Sunday, May 1	phone bill	mom and dad	\$35.00	phone
Sunday, May 1	college fund	CFCU deposit	\$50.00	college savings
Monday, May 2	latte	Starbucks	\$3.91	food & beverage
Wednesday, May 4	lunch	McDonald's	\$7.56	food & beverage
Friday, May 6	latte	Starbucks	\$3.91	food & beverage
Friday, May 6	gas money	Gina	\$10.00	transportation
Saturday, May 7	movie	Cinema 10	\$12.00	entertainment
Monday, May 9	latte	Starbucks	\$3.91	food & beverage
Wednesday, May 11	latte	Starbucks	\$3.91	food & beverage
Friday, May 13	latte	Starbucks	\$3.91	food & beverage
Friday, May 13	gas money	Gina	\$10.00	transportation
Saturday, May 14	bowling	PinsDown Alleys	\$17.00	entertainment
Saturday, May 14	snacks	PinsDown Alleys	\$12.50	food & beverage
Sunday, May 15	college fund	CFCU deposit	\$50.00	college savings
Sunday, May 15	TeenZine	Target	\$5.15	entertainment
Sunday, May 15	summer dress	Target	\$32.10	clothes
Sunday, May 15	earrings	Target	\$13.13	clothes
Sunday, May 15	mocha latte	Starbucks - Target	\$4.15	food & beverage
Tuesday, May 17	latte	Starbucks	\$3.91	food & beverage
Wednesday, May 18	latte	Starbucks	\$3.91	food & beverage
Friday, May 20	dinner	Local Eats Cafe	\$13.79	food & beverage
Friday, May 20	gas money	Gina	\$10.00	transportation
Saturday, May 21	movie	Redbox	\$2.00	entertainment
Sunday, May 22	college fund	CFCU deposit	\$50.00	college savings
Sunday, May 22	ice cream	Marble's	\$4.67	food & beverage
Monday, May 23	latte	Starbucks	\$3.91	food & beverage
Wednesday, May 25	chips	Gas & Go	\$1.85	food & beverage
Friday, May 27	latte	Starbucks	\$3.91	food & beverage
Friday, May 27	gas money	Gina	\$10.00	transportation
Saturday, May 28	James's card	Target	\$3.16	special occasions
Saturday, May 28	James's gift	Dick's Sporting Goods	\$38.15	special occasions
Saturday, May 28	laser tag/arcade	Frankie's	\$43.00	entertainment
Saturday, May 28	snacks	Farnkie's Snack Bar	\$6.87	food & beverage
Sunday, May 29	college fund	CFCU deposit	\$50.00	college savings
Sunday, May 29	bikini	Macy's	\$55.64	clothes
Monday, May 30	latte	Starbucks	\$3.91	food & beverage

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Questions:

1. Kayla's total expenditures in May were \$586.82. How much money does that leave her to put in her car savings fund? _____
2. How much does Kayla want to put toward her car savings each month and why? _____

3. If Kayla does not change her spending habits, how long will it take her to save the \$1,000 she wants? _____

4. In which category did Kayla spend significantly more than her budgeted amount? _____
5. Where is Kayla's biggest "leak"? _____

Reflections:

1. Remember the rule, "Pay yourself first!" What could Kayla do to make sure she reaches her goal of saving \$1,000 for her car in one year?

2. What leaks do you think your budget may have? Even if you've never created a budget, what do you know you spend money on regularly that you could cut back if you needed to?
