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Projected Monthly Household Budget Introduction A projected monthly household budget is a financial plan that allocates monthly personal income towards debt repayments, expenses, and savings. Past spending of the student and personal debt repayments are in consideration when creating projected monthly household budgets (Barber 225). This essay gives a detailed discussion of a projected monthly household budget for a person following graduation from Iowa state university for an assumed typical graduate of the economics department. This household budget allocates expected income of $40, 000 to the expected expenses of the graduate as well as the intended savings. The following is a household budget that illustrates how the student should allocate his income.   
Projected monthly household budget   
Item   
Monthly Amount in Dollars ($)   
Housing   
14, 000   
Food   
4, 000   
Automobile Loan   
500   
Vehicle Insurance   
150   
Education Loan Repayment   
800   
Entertainment and Recreation   
2, 000   
Clothing   
500   
Medical Insurance Cover   
50   
Investments   
12, 000   
Miscellaneous   
1, 000   
Savings   
5, 000   
Total Income and expenditure   
40, 000   
Purpose of choosing this household budget plan   
The purpose of this projected monthly household budget is to ensure that the graduate avoids the risk of unexpected expenses such as enrolling for unpredicted courses. Since the graduate lives and works in Des Moines, IA, which is among the estates with high living standards, it is logic to budget for a housing and food cost of $14, 000 and $4, 000 respectively. In order to improve transport efficiency and convenience, the graduate should purchase a personal vehicle at the cost of $8, 000 payable in monthly installments of $500. Therefore, the graduate must budget for the vehicle monthly insurance of $150. The vehicle will be necessary since it will enable the graduate to avoid transport inconveniences due to public transport means.   
In addition, the graduate should adopt a budget plan that will enable him repay the education loan. The above budget plan proposes a monthly amount of $800 to settle the total loan of $10, 000 in a period of 12. 5 months. The budget also proposes that the graduate should allocate a total of $2, 000 for entertainment and recreation. According to the above monthly budget, the graduate should set a total of $500 and $50 for clothing and medical insurance cover respectively. Making payments for the medical insurance cover will enable the graduate to avoid paying huge amount of money when he or she is going through any medication. Moreover, it will be a nice decision for the graduate to look for means of investments. This will enable the graduate to increase his total monthly income, hence improving his or her living standards. Therefore, the above Monthly budget entails that the graduate should budget for monthly investments of $12, 000 as a way of attracting extra income. The graduate should also allocate some money for miscellaneous. This is for purchasing other essential things such as stationery. This projected monthly household budget also guarantees the graduate for future savings. This is essential since it will enable the graduate to avoid chances of experiencing financial shortages in the future after his retirement. According to the above budget, the graduate should allocate $5000 for monthly savings.   
Conclusion   
To sum up, a monthly budget should have a defined goal or a purpose that is achievable within a certain period (Barber 225). Knowing the income source and the amount of income and the totals allocated to every expense event is as essential as when such cash flows take place. A projected monthly household budget should not be complicated since the more complicated the budget is, the less likely the graduate will stick to it (Barber 227).   
Work Cited   
Barber, Karra. The Social and Life Skills Menu: A Skill Building Workbook for Adolescents with Autism Spectrum Disorders. London: Jessica Kingsley Publishers, 2011. Internet resource.