

A Critique Of My Personal Expenses For 2015

by Annie Margarita Yang

Last year was my first year moving out and living away from my parents. I wasn't sure exactly how much money it would cost me to live on my own, so I tracked all my expenses in a small notebook and decided to figure it out in 2016. The time is now, and to be honest, I was quite scared to look at my spending. I know for a fact that I live frugally, but I never really looked at the numbers. What if I spent much more than I thought? There were many times throughout last year when I went over my budget or I couldn't plan well enough because as someone living on my own, I didn't know what the basics/essentials I needed to have to live comfortably were.

At my new job, my boss made me create expense reports and I had to do some bookkeeping work. I became more comfortable creating financial reports in Excel and looking at how other businesses spent money. I felt like I could no longer stay in the unknown in regards to my spending habits, so I entered all my purchases into Excel and calculated the amount I spent for different categories. It was an empowering exercise. I realize that only by taking an honest look at my personal finances can I make adjustments and keep heading in the right direction. My total was slightly higher than I expected, but it is still lower than the amount most people spend. Actually, living on \$16.5k per year in NYC is very low.

Personal Expenses Report

Category	Amount
Business	\$629.11
Bank Service Charges	\$60.50
Bedroom	\$137.96
Charity	\$49.21
Cleaning and Household Supplies	\$59.51
Clothing	\$1,059.39
Personal Development And Education	\$1,808.76
Entertainment And Recreation	\$510.60
Exercise	\$560.72
Food	\$1,918.10
Gifts	\$141.95
Hair	\$143.86

Health Supplements and First Aid	\$64.05
Kitchen	\$296.45
Laundry	\$135.42
Miscellaneous	\$4.78
Office Supplies	\$17.44
Personal Care	\$169.34
Phone	\$328.02
Rent	\$4,550.00
Sewing	\$303.86
Shipping	\$170.15
Travel	\$2,517.45
Utilities	\$275.00
Total For 2015	\$16,562.03

As I look at the detailed version of my report (I posted the general version), there were many things I could have lived without and won't need to spend much money on this year.

Business

Last year in January, I wanted to start a mobile massage business. So I bought a massage table, table cart, oils, hosting for the website, business cards, etc. I got everything ready and ended up deciding to not follow through with it. I realized being young, it probably wasn't a good idea and I could have set myself up for sexual harassment by giving massages to clients in their own homes. Now obviously this year, I won't be buying any of this stuff. But there are some business expenses such as business cards, web hosting, domain names, marketing, and advertising material, that I will be spending on. So I probably will spend more this year, not less.

Bank Service Charges

Now this one was honestly my mistake. I was charged two overdraft fees from Charles Schwab for not having enough money in my checking account to pay my eBay fees. I sell on eBay, and twice last year, I withdrew money from my PayPal balance before paying the eBay seller fees. And so eBay decided to charge my backup payment method, which was my checking account. If I were more careful with checking my account balance regularly and marked all my scheduled payments on my calendar, I could have avoided the overdraft fees. Overdraft fees are a *billion dollar business* in America. These banks

prey on the laziness of consumers to check their balance before writing a check or swiping a debit card.

Bedroom

As I just moved last year, I needed to decorate my room. I bought some curtains, mirrors, shelves, etc. I have everything I need now. I do not expect to move or to redecorate this year so I could cut spending in this category for 2016.

Charity

I have no issue with giving to charity. In fact, this year I want to contribute even more. It makes a positive impact on other people's lives, strengthens relationships, and has been studied to increase happiness. Giving makes me feel more positive and every time I give, I am in an abundant state of mind.

Cleaning Supplies

This was fine.

Clothing

Last year, I wanted a brand new wardrobe to suit my new career. I don't want to spend so much money on clothing this year. I'm not into keeping up with the latest fashions. As long as I look presentable, I am okay. I would rather have a conservative, classic, timeless wardrobe with high-quality pieces that will last for years and make me feel good every time I wear them.

I have enough clothes in my closet to last me only a week. I am a firm believer of project 333, a challenge in which you wear only 33 items for three months (or one season) and that includes accessories. I own only 33 hangers, so whenever I buy new clothes, I make space by donating my old clothes. I know many women who have much more clothes than I do, but "can never find anything to wear." I wear every article of clothing in my closet. And I don't think people seem to notice that I wear the same clothes each week. They are too busy worrying about what I think of them than what they think of me!

Though I don't plan on buying new clothes this year, I will probably buy new shoes when the seasons change.

Personal Development And Education

The money I spent in this category was not for college. It was mainly for Landmark Worldwide and for bettering myself by taking workshops or buying used books on Amazon. I am quite happy with spending money on education. I'm a life-long learner and a jack of all trades. Whenever possible, to save money I try researching online (there's tons of free information) and borrowing most of my books from the New York Public Library instead of paying for education. There are some things I cannot learn from reading a book and can only gain through experience - Landmark is an example. Experiential learning is well worth the time and money.

Entertainment And Recreation

I am okay with what I spent in this category. I watched Broadway musicals, ballet shows, sang karaoke, picked up playing the acoustic guitar again, had a floatation session in a sensory deprivation chamber. All of these experiences were new and enjoyable. I got to bond with my friends and develop a deeper relationship. In 2016, I want to watch more Broadway musicals, as I've fallen in love with them! I've begun valuing experiences over possessions.

Exercise

A lot of the money I spent here was for pole dancing. Pole dancing was definitely an empowering exercise. I was happier and more confident with the way my body looked as a woman. And it was definitely a full body workout and I was physically stronger than ever before. I had to quit pole dancing because I tore my medial meniscus and it hurts to do most exercises. In 2016, I cannot imagine myself spending money on exercise, though it is definitely something I value. I like to exercise by riding my bike (free) and practicing yoga at home (free). I could also add in some bodyweight exercises to my routine for strength training (also free). I don't need a gym membership. However, if I came across adult dance classes offered at a reasonable price, I would take it - not just for the exercise, but for being part of a community.

Food

If I do the calculations, I spent on average \$160 per month on food or \$40 per week. This is very low in comparison to the amount other people spend on food. Many of my friends consider spending \$10 a day on only lunch to be a "good deal." Do that for five work days and that is \$50 per week on lunch.

But is it possible for me to live on even less? I would like to try. I already brought my own lunch to work every day instead of ordering something.

But when I started college in September, I started buying lunch at school because I brought my own food but was still hungry after biking six miles to school every morning. My schedule wasn't the best with long hours, so I didn't want to wait to get home to eat. There were also times when I was at Landmark, and the hours were long and I was too tired to cook, so I would go across the street to Duane Reade and buy unhealthy convenience foods to satiate my hunger. Also, there were many times I ate at restaurants so I could socialize with friends. I wonder how much I would spend on food if I *only* ate at home-cooked food.

Last year, I developed severe acne and I didn't know what was causing it. It turned out to be food because I did an allergy test last month and it turned out I was allergic to shrimp, beef, chocolate, and corn. CORN. Corn is in everything nowadays with high fructose corn syrup being a common sweetener. I have no idea what restaurants put in their food, but there might be corn in it. I have stopped eating at restaurants for one month already and my skin cleared up a lot. That is one more reason to eat only home-cooked food.

Gifts

This is okay. Giving is always good.

Hair

This is okay. I used to spend more.

Health Supplements and First Aid

This is okay. Best to take care of my health now and prevent possible diseases than to suffer the consequences later.

Kitchen

I just moved last year and needed to buy things like pots, pans, knives, spoons, forks, spatulas, vegetable peelers, etc. Now my kitchen is fully equipped and I have everything I need. I don't expect to buy anything new for my kitchen in 2016. The only thing I can think of is a yogurt maker. I've developed a love for Greek yogurt, and if I made my own yogurt, I could save some money in the food category. The savings would offset the initial cost of the appliance.

Laundry

The amount of quarters I used at the laundromat to operate the washing machine and dryer is okay. Those costs are negligible. A large portion of the costs came from the laundry detergent. I believe in 2016, I could shave some of the costs by making my own laundry detergent. There are a ton of recipes online.

Miscellaneous

This is okay. It was for an umbrella when it unexpectedly started pouring and I was stranded at the grocery store! I didn't know what category to put it in.

Office Supplies

This is okay.

Personal Care

Generally, this was okay. But I wasted a lot of money trying to figure out what skin care products worked best for my sensitive skin. I said earlier that I was breaking out severe acne from food allergies. I kept thinking it was from my skin care products so I experimented with different products. I've now found the best products to use on my face (organic and all natural) and they are very cheap. So in 2016, I expect to spend less on personal care, now that I've finished experimenting.

Phone

This is okay.

Rent

This is okay. It is very cheap because I negotiated with the property manager.

Sewing

Sewing used to be one of my favorite hobbies. I enjoyed making my own clothes (they look better and last longer and are cheaper than store bought clothes), but after moving out of my mom's house, I stopped sewing. *But* I kept buying new fabric and sewing supplies out of habit, which was a total waste. I have lots of fabric that ended up unused. I do not want to spend any money on sewing this year. If I need to sew, I already have lots of options from my stash to choose from.

Shipping

This is okay. The shipping costs were from selling my used items on eBay. So in reality, I was making money whenever I shipped something.

Travel

This is okay. Forty-six percent of the money spent was toward my new bike. I won't have to buy a new bike this year - I only need to pay for the maintenance costs (very low). The bike actually saves me money because I do not need to pay for unreliable public transportation (Dear MTA, why do you always have train delays?) and it's a free form of exercise. Twenty-eight percent was spent on public transportation. Twenty-six percent was spent on recreational travel, meaning I went out of town for the weekend. These trips were fun and I made lots of new friends. I suspect this year, I'll spend less on travel because I don't need to buy a new bike. Or maybe I won't. Maybe I'll spend even more money buying plane tickets to travel the world.

Utilities

This is okay.

Total

So in total for 2015, I spent \$16,562 for the year / \$1,380 per month / \$45 per day. Already very low, but I wonder if I can live on even less in 2016 because I don't need to spend any more money on the initial costs of moving out. To summarize, I want to spend less on bank service charges, decorating my bedroom, clothes, food, exercise, kitchen, laundry, personal care, and sewing. I want to spend more money on business, charity, personal development and education, entertainment and recreation, gifts, and travel because these are the things I enjoy and want more of in my life.

This was a good exercise in evaluating my spending habits because now I can see whether my spending aligns with my priorities and values. I don't think I'm being cheap, though some people might call me that. Frugality and thriftiness are second nature to me. So is spending with intention. I want every dollar I spend to be done with intention. I believe money should be spent in a way that adds value and contentment to my life, which means new experiences and developing deeper relationships, not shiny

new toys, not possessions. A designer handbag or beautiful kitchen cabinets and countertops don't add value to my life.

And lastly, my ultimate goal is financial freedom and independence. The more money I save and invest now, the earlier I retire and the more options I have when I am older. If at age 40 I decided I no longer want to work or I want to create a non-profit or travel the world, I would be able to drop what I'm doing because money will not stop me from living the life I want.

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