



Know Your Numbers Before Taking a Number; Creating a Personal Budget.

Financial pressures are mounting as many people are facing hard financial times. The cost of living is rising, and as an RVT, you wonder whether you are on the right financial track. If you are contemplating a job change or having an employment review, assessing your resources and establishing a budget means less pressure down the road. Budgeting can seem overwhelming but it is an exercise that is well worth it. Knowing your dollars and cents can help you be more informed when negotiating your wage with a current or prospective employer.

There are a host of financial professionals out there that can help you, like independent financial planners or advisors from your bank. The topic of finance is broad. Do not hesitate to seek support and advice from qualified individuals. Did you know that included in your OAVT regular membership, you have access to the Member Assistance Plan (MAP)? Through this, there is financial guidance available by consultation at no additional charge to you.

Generally speaking, a personal budget is about understanding your money coming in and going out each month. A budget is more than just fixed costs like your rent, mortgage, or car payments; it must include spending based on your lifestyle. Planning your desired lifestyle includes making decisions on where you live, how often you go out, shopping habits, the type of car you drive, vacations, family planning and much more. Don't forget to include some money each month for savings – which is another very important lifestyle choice for your future.

This sample budget shows some of the areas you may want to consider when creating a budget. This budget was created using Excel which allows for formulas. Don't have Excel? Google Sheets also allows formulas and is free to use.

Monthly Budget	Anticipated	Actual
Expenses		
<u>Savings and Investment</u>		
Savings (Retirement, Investments etc)		
Emergency Fund		
<u>Household</u>		
Living Accommodations		
Utilities (Water, Hydro, Heat)		
Household Insurance		
Groceries		
Internet		
<u>Transportation</u>		
Car-related expenses/Transit Pass		
Insurance		
<u>Lifestyle</u>		
Health/Life Insurance		
Entertainment (TV subscriptions, music etc)		
Cell Phone		
Restaurants/Going Out		
Personal Spending (clothes, hair, gifts etc)		
Pet: Food/Supplies		
Total Monthly Expenses		
Income		
Pay After Tax		
Pay Before Tax		
Total Monthly Income		

Budgeting Tips

1. When first starting a budget, plan on what you want to save each month (not spend!) and work backward from there. In the example above, savings are listed first because your saving goals should be the first thing you decide when budgeting. Never leave your need for savings until the end, otherwise, you will find that they become left out or optional!
2. Different from savings, it's a good idea to create an emergency or rainy day fund to help reduce the strain on your budget. Putting a small amount away each paycheck will reduce stress when unplanned events happen in your life, without digging into your savings.
3. When creating your budget, consider what you need and be aware of what your employer could help you with, for example; OAVT dues, CE allowance, uniform allowance, benefits, pet perks. When searching for a job you can look for ads that mention these benefits or bring them up in discussions with employers. The OAVT annual compensation survey shows trends in benefits that employers are providing to RVTs and can be used as a resource when speaking with employers.
4. Don't forget to review your spending each month to make sure you are following your budget. If any of your costs are consistently over budget, you may need to adjust your spending. Or perhaps the problem isn't your spending – it's your budget plan! For example, if you are regularly over budget on your utility allowance but consistently under budget on your clothing allowance; the difference from the clothing allowance can be deducted and added to the utility budget to create more balance.

So You Have a Budget... Now What?

Now that you understand what's important to you and your lifestyle, you can use the numbers in your budget as a minimum baseline for salary when you are looking for a job or when you are discussing wages with your current employer.

If your monthly RVT salary is consistently not keeping in line with your budget, this enables you to have a productive conversation with your employer to discuss your income goals. If your employer never hears from you, they may think you are satisfied. If your employer is not willing to hear about your income goals, or they let you know that they won't be able to ever meet your needs, then you are in a better position to decide whether that particular workplace is the right one for you. We trust that your employer values your contributions as an RVT, and will want to have a productive conversation about how to get you moving in the right income direction so that you remain satisfied in your position!

Remember that all quoted salaries will have taxes taken off which you need to factor into your budget. You can estimate your taxes by visiting the Payroll Deductions Online Calculator on the CRA's website. (<https://www.canada.ca/en/revenue-agency/services/e-services/e-services-businesses/payroll-deductions-online-calculator.html>)

Salary and wage is a negotiation. You do not have to take what you are initially offered by a prospective employer. Knowing your spending needs will help you to negotiate successfully when you're looking for a job and when you're speaking with current employers. If the offer doesn't meet your expectations, and the employer is not able to offer more, then you can confidently say no thank you and continue your search for the right fit for you.

