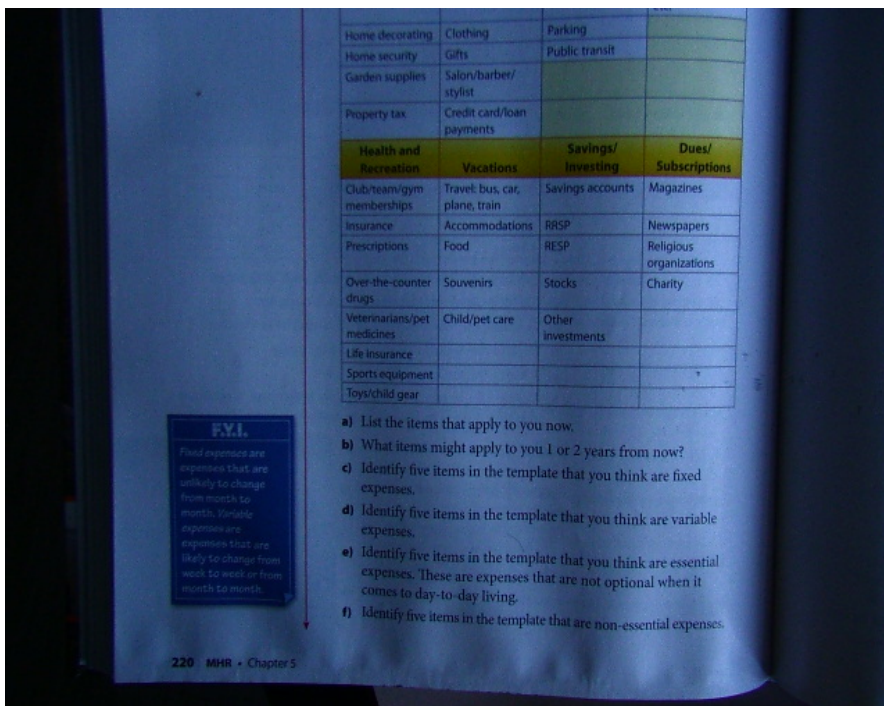


6. Templates for creating a budget for yourself are available from your financial institution or from various web sites. Below is a list of expenses from a typical budget template.

Home	Daily Living	Transportation	Entertainment
Mortgage/rent	Groceries	Car payments	Cable or satellite TV
Utilities	Child care	Fuel	Movies/plays
Home/cell phone	Dry cleaning	Insurance	Concerts/clubs
Internet	Dining out	Repairs	Books
Home repairs	Housecleaning	Car wash	Music: MP3s, CDs, etc.
Home decorating	Clothing	Parking	
Home security	Gifts	Public transit	
Garden supplies	Salon/barber/stylist		
Property tax	Credit card/loan payments		
Health and Recreation	Vacations	Savings/Investing	Dues/Subscriptions
Club/team/gym memberships	Travel: bus, car, plane, train	Savings accounts	Magazines
Insurance	Accommodations	RRSP	Newspapers
Prescriptions	Food	RESP	Religious organizations
Over-the-counter drugs	Souvenirs	Stocks	Charity
Veterinarians/pet medicines	Child/pet care	Other investments	
Life insurance			
Sports equipment			
Toys/child gear			

a) Now  
7  
b) Later  
6/7  
↑



c) Fixed=F



d) Variable=V

e) E

f) NE

Fixed Expense → Something you have to pay for  
→ Bills, Cars, houses.

Variable Expense → Variable expense will change over time.  
⇒ Credits

- b) transportation: \$44.00; savings: \$60.00; investment: \$100.00; entertainment: \$87.41; phone expenses: \$59.32; clothing: \$72.83
- c) savings: \$60.00; investment: \$100.00
- d) Put more money into savings and investments.
- e) No, I spend too much on entertainment.
- f) See fewer movies and eat fewer meals out.
- g) total income: \$450; transportation: \$45; savings: \$120.00; investment: \$150.00; entertainment: \$50; phone expenses: \$60; clothing: \$25

h)

Date	Amount	Spent on ...
May 1	\$150.00	GIC
May 3	\$5.50	Bus
May 3	\$12.25	Movie
May 4	\$63.81	Cell phone bill
May 6	\$60.00	Savings account
May 8	\$16.23	Socks
May 10	\$3.50	Bus
May 10	\$11.28	Pizza

5. \$69.23

6. Examples:

- a) cell phone, dining out, clothing, gifts, salon, public transit, movies, music, vacation souvenirs, savings account, other investments
  - b) rent, utilities, Internet, cell phone, groceries, dining out, clothing, gifts, salon, car payments, fuel, insurance, repairs, car wash, parking, cable, movies, music, health insurance, prescriptions, over-the-counter drugs, life insurance, vacation travel, vacation accommodations, vacation food, vacation souvenirs, savings account, other investments
  - c) rent, Internet, property tax, car payments, health insurance
  - d) groceries, fuel, gifts, prescriptions, home decorating
  - e) rent, utilities, groceries, child care, prescriptions
  - f) vacations, charity, magazines, club memberships, sports equipment
7. a) saving for Florida trip, insurance on family car  
 b) \$90

**Modify a Budget**  
Below is a typical monthly budget for Paul and Sandra.

Monthly Budget (September)	
<b>Income (\$)</b>	
Paul	1950
Sandra	1500
<b>Total Income</b>	<b>3450</b>
<b>Expenses (\$)</b>	
Saving to buy a house	500
Rent	875
Groceries	400
Investing (RRSPs)	200
Car (insurance)	250
Car (gas, repairs)	250
Phone/cable/Internet	120
Cell phone	30
Saving for a vacation	200
Gym	120
Medical/personal items	100
Gifts and charity	100
Entertainment	200
Leftover money for a "rainy day"	105
<b>Total Expenses</b>	<b>3450</b>
<b>Income - Expenses</b>	

Sandra and Paul find out that they are going to have a baby.

- What changes might there be to the income side of their budget?
- What category will they need to add to the expenses section of their budget?
- What modifications may Sandra and Paul need to make to their existing expense estimates?

*Handwritten notes:*  
EI Maternity leaves  
b) STUFF for Baby  
a) + 3450  
F - 3450  
F

*Small box:*  
F.V.I.  
Saving for a "rainy day" means saving for unexpected emergency expenses.

Expenses = Income  
Balanced Budget

**Modify a Budget**  
 Below is a typical monthly budget for Paul and Sandra.

Monthly Budget (September)	
<b>Income (\$)</b>	
Paul	1950
Sandra	1500
<b>Total Income</b>	<b>3450</b>
<b>Expenses (\$)</b>	
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Rent	875
Groceries	400
Investing (RRSPs)	200
Car (insurance)	250
Car (gas, repairs)	250
Phone/cable/Internet	120
Cell phone	30
Saving for a vacation	200
Gym	120
Medical/personal items	100
Gifts and charity	100
Entertainment	200
Leftover money for a "rainy day"	105
<b>Total Expenses</b>	<b>3450</b>
<b>Income - Expenses</b>	<b>0</b>

Sandra and Paul find out that they are going to have a baby.

- What changes might there be to the income side of their budget?
- What category will they need to add to the expenses section of their budget?
- What modifications may Sandra and Paul need to make to their existing expense estimates?

b)

**Modify a Budget**  
 Below is a typical monthly budget for Paul and Sandra.

Monthly Budget (September)	
<b>Income (\$)</b>	
Paul	1950
Sandra	1500
<b>Total Income</b>	<b>3450</b>
<b>Expenses (\$)</b>	
Saving to buy a house	500
Rent	875
Groceries	400
Investing (RRSPs)	200
Car (insurance)	250
Car (gas, repairs)	250
Phone/cable/Internet	120
Cell phone	30
Saving for a vacation	200
Gym	120
Medical/personal items	100
Gifts and charity	100
Entertainment	200
Leftover money for a "rainy day"	105
<b>Total Expenses</b>	<b>3450</b>
<b>Income - Expenses</b>	<b>0</b>

Sandra and Paul find out that they are going to have a baby.

- What changes might there be to the income side of their budget?
- What category will they need to add to the expenses section of their budget?
- What modifications may Sandra and Paul need to make to their existing expense estimates?

c)

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Complete Question  
#1, a-f