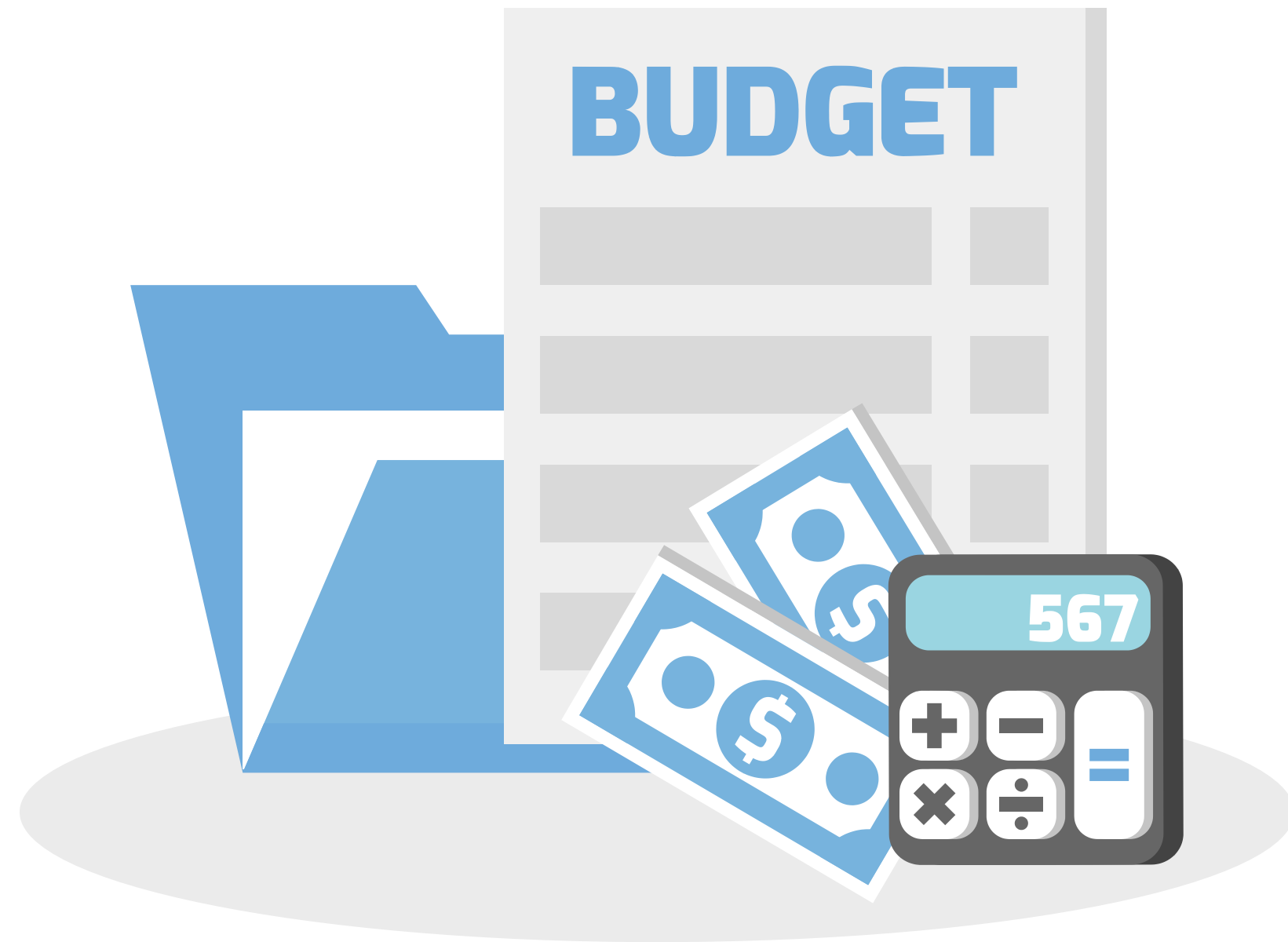


Budgeting

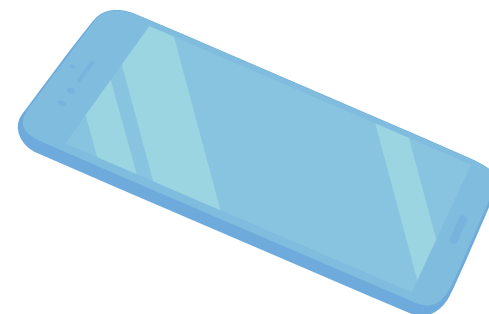


Recording income and expenses helps us understand where our money is going. We can use this information to create a budget (plan for using money).

We want to be **making more money than we are spending**.



What are some expenses that the average adult spends money on?



Expenses

Expenses are usually organized into categories:

- Housing
- Food
- Utilities
- Insurance
- Basic clothing
- Car maintenance
- Phone plan
- Emergency fund
- Student debt

MONTHLY EXPENSES		AMOUNT
HOME	RENT	
	INSURANCE	
	OTHER	
HOME TOTAL		
UTILITIES	ELECTRIC	
	WATER / SEWAGE	
	CELL PHONE	
	CABLE / INTERNET	
	GAS	
	TRASH REMOVAL / RECYCLING	
	OTHER	
UTILITIES TOTAL		
CAR / TRANSIT	CAR PAYMENT	
	INSURANCE	
	FUEL	
	MAINTENANCE	
	TRANSIT PASS	
	TAXI / CARPOOL	
	OTHER	
CAR / TRANSIT TOTAL		
FOOD	GROCERIES	
	RESTAURANTS	
	OTHER	
	OTHER	
FOOD TOTAL		
OTHER	GIFTS	
	ENTERTAINMENT	
	OTHER	
	OTHER	
OTHER TOTAL		
EXPENSE TOTAL		

Needs vs Wants

Essential for survival vs desires that enhance life

Rent
PlayStation 5
Ticket to Cuba
Groceries
Electricity
Gucci shirt
Gym membership
Ice cream
Emergency fund
Spotify subscription

Car gas
Netflix subscription
Chipotle
Heating
Movie tickets
Phone
Basic clothing
Shoes
55" TV
Student debt

Needs vs Wants

Needs

Rent
Car gas
Heating
Groceries
Electricity
Phone
Basic clothing
Shoes
Emergency fund
Student debt

Wants

PlayStation 5
Netflix subscription
Chipotle
Ticket to Cuba
Movie tickets
Gym membership
Ice cream
Gucci shirt
55" TV
Spotify subscription

Needs vs Wants

To get started, calculate your monthly income and then allocate 50% to your needs, 30% to your personal needs, and 20% into savings.

MONTHLY INCOME: \$

50%
NEEDS

\$

Mortgage / rent	\$
Utilities	\$
Groceries	\$
Car loans	\$
Credit cards	\$
Phone bills	\$
Other bills	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

30%
WANTS

\$

Dining out	\$
Subscriptions	\$
Travel	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

20%
SAVINGS

\$

Savings account	\$
Retirement	\$
Investments	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

A popular budgeting method is **50-30-20**. 50% of your monthly income is used to pay for needs, 30% for wants, and 20% is put into savings.

Ex. if your monthly income is \$300, how much should you spend on needs, wants, and savings?

Needs vs Wants

To get started, calculate your monthly income and then allocate 50% to your needs, 30% to your personal needs, and 20% into savings.

MONTHLY INCOME: \$

50%
NEEDS

\$

Mortgage / rent	\$
Utilities	\$
Groceries	\$
Car loans	\$
Credit cards	\$
Phone bills	\$
Other bills	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

30%
WANTS

\$

Dining out	\$
Subscriptions	\$
Travel	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

20%
SAVINGS

\$

Savings account	\$
Retirement	\$
Investments	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

TOTAL AMOUNT: \$

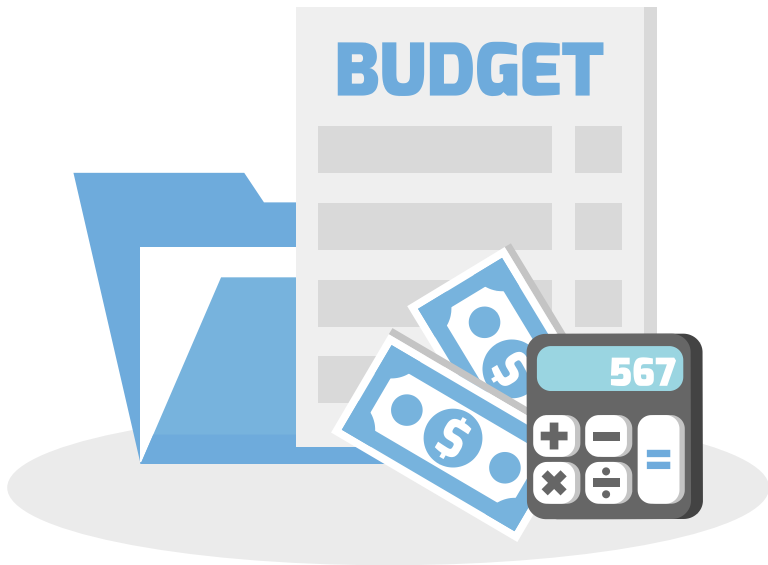
A popular budgeting method is **50-30-20**. 50% of your monthly income is used to pay for needs, 30% for wants, and 20% is put into savings.

Ex. if your monthly income is \$300, how much should you spend on needs, wants, and savings?

Needs - \$150
Wants - \$90
Savings - \$60

Money In	
Income	
Total income	

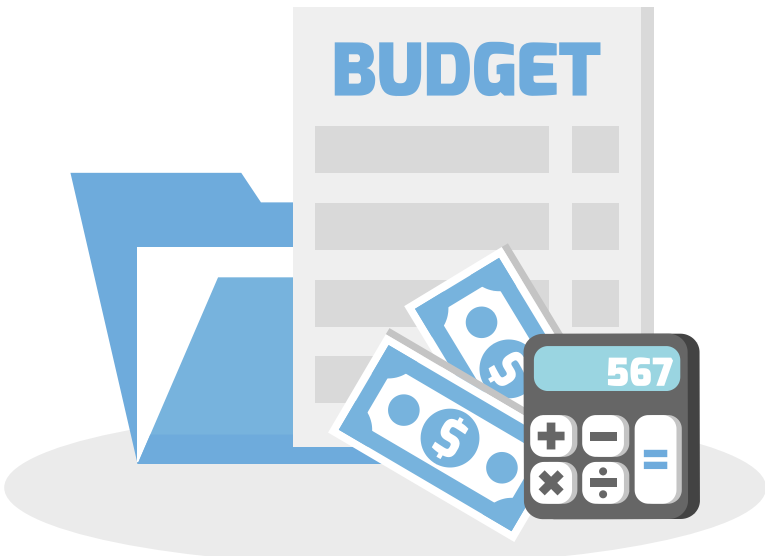
How much money do you think the average Canadian adult **makes** each month?



Expenses	
Housing	
Food	
Utilities	
Clothing	
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

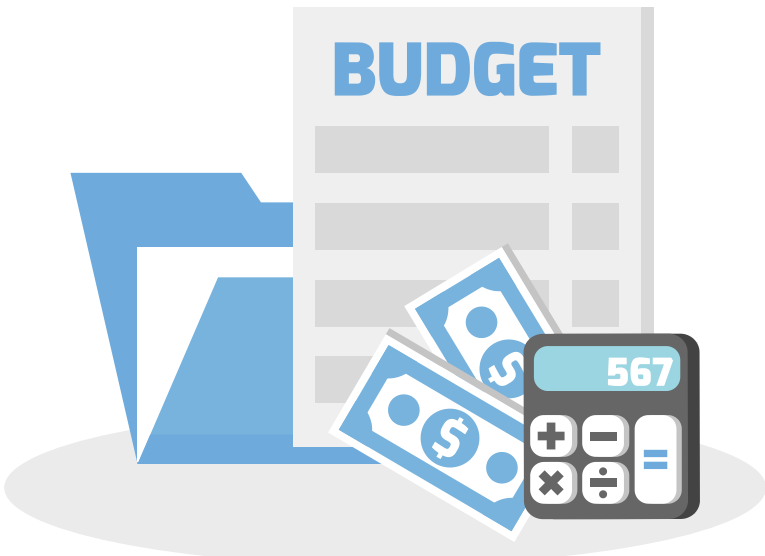
How much money do you think the average Canadian adult spends on **housing** each month?



Expenses	
Housing	
Food	
Utilities	
Clothing	
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

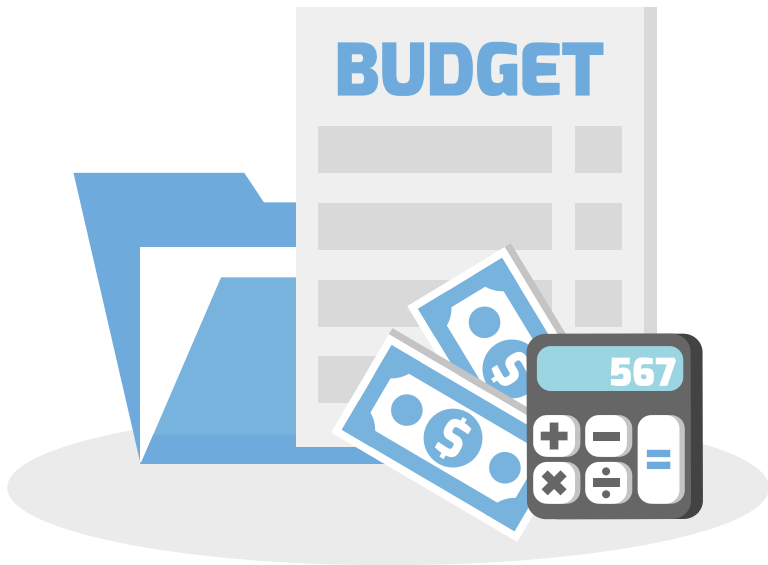
How much money do you think the average Canadian adult spends on **food** each month?



Expenses	
Housing	\$1,619
Food	
Utilities	
Clothing	
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

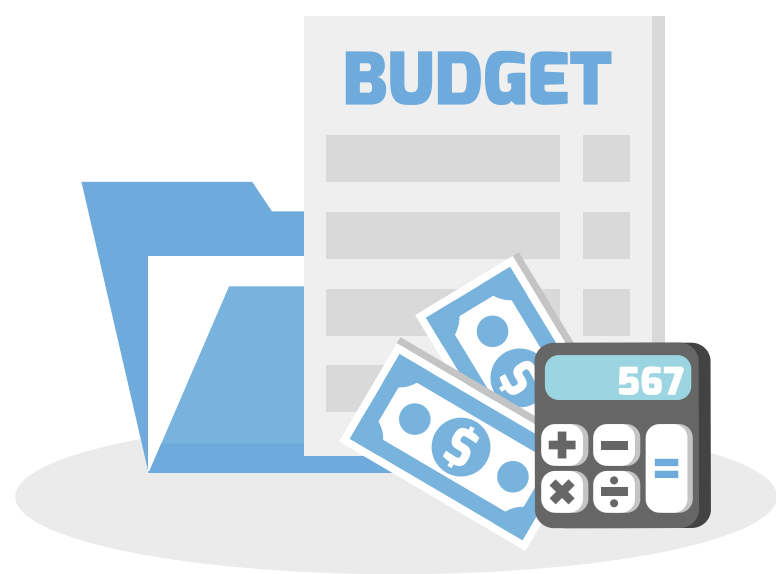
How much money do you think the average Canadian adult spends on **utilities** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	
Clothing	
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

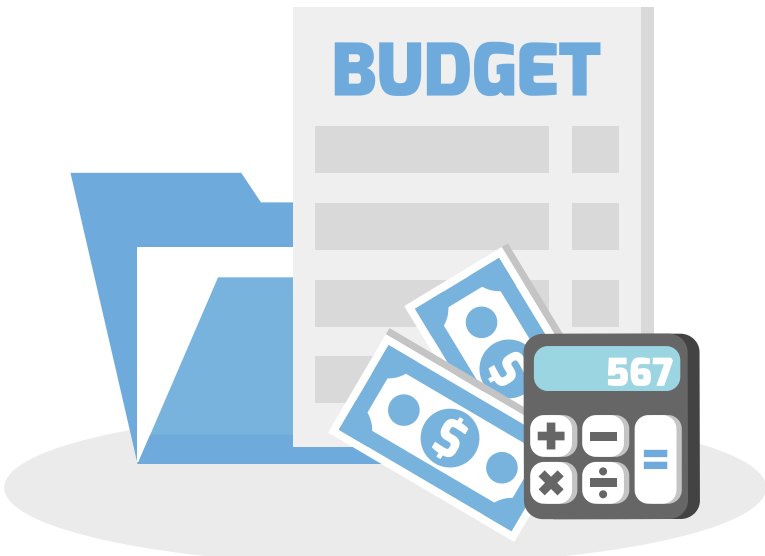
How much money do you think the average Canadian adult spends on **clothing** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

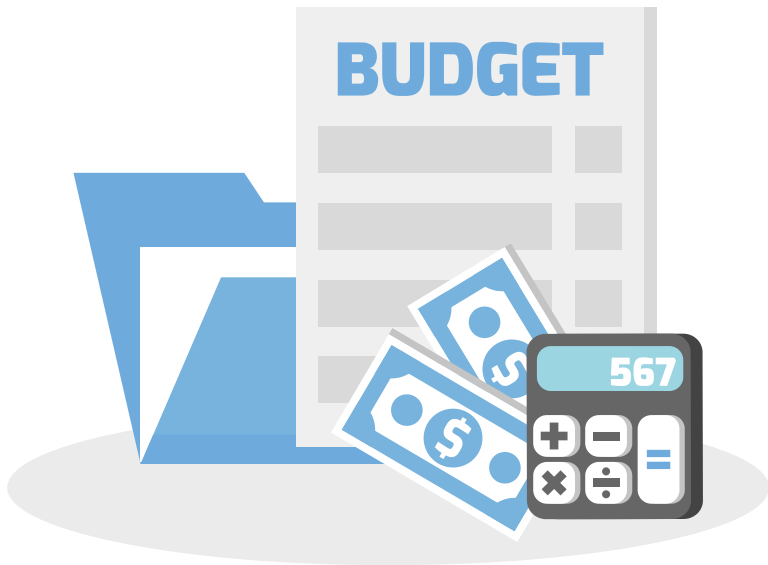
How much money do you think the average Canadian adult spends on **car gas** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car maintenance	
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

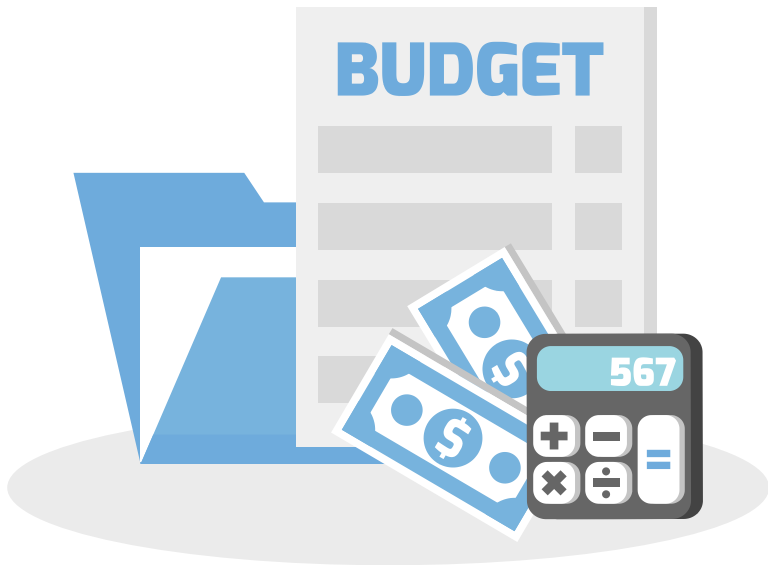
How much money do you think the average Canadian adult spends on **entertainment** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

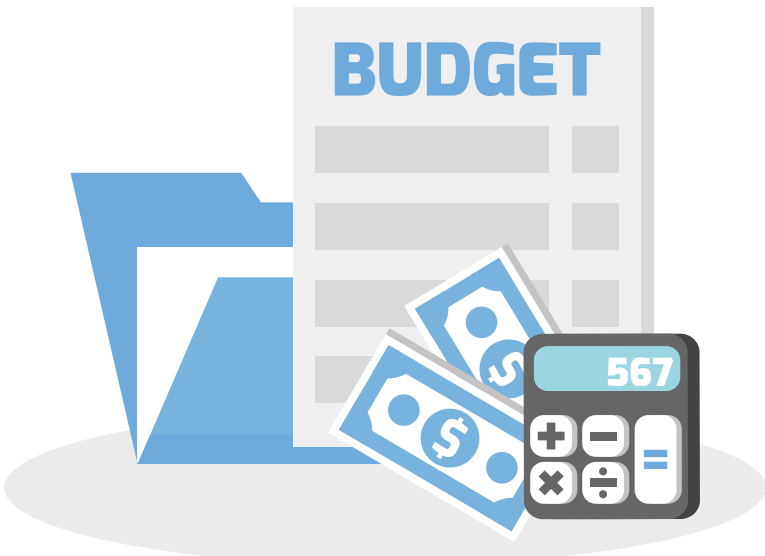
How much money do you think the average Canadian adult spends on a **phone plan** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	
Memberships	
Emergency fund	
Student debt	
Total expenses	

Money In	
Income	\$5,404
Total income	

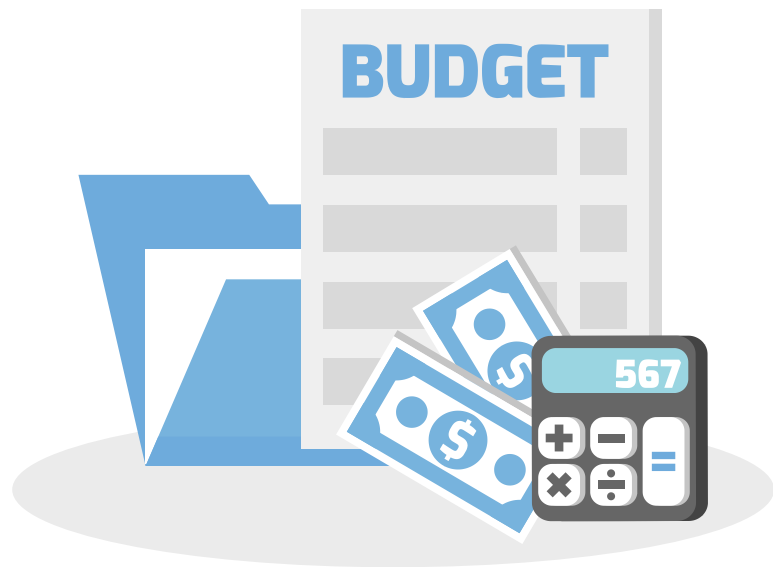
How much money do you think the average Canadian adult spends on **internet** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	\$45
Internet	
Memberships	
Emergency fund	
Total expenses	

Money In	
Income	\$5,404
Total income	

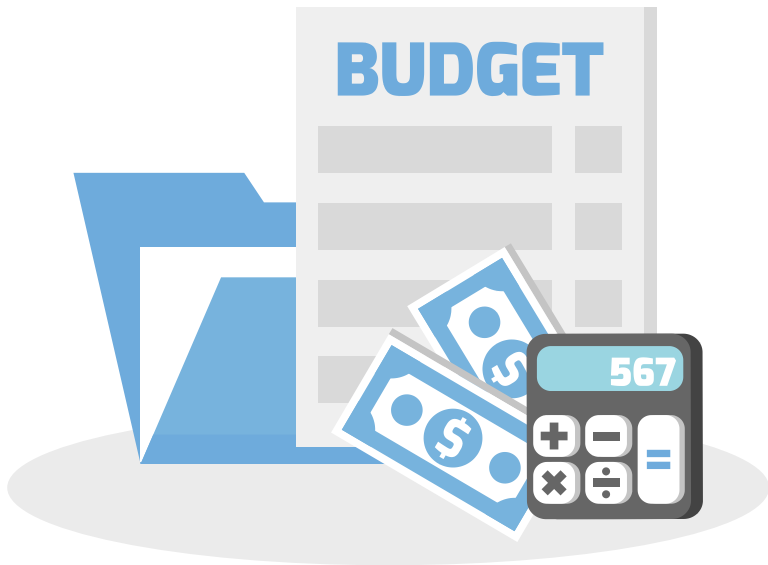
How much money do you think the average Canadian adult spends on **memberships** each month?



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	\$45
Internet	\$65
Memberships	
Emergency fund	
Total expenses	

Money In	
Income	\$5,404
Total income	

How much money do you think the average Canadian adult spends on an **emergency fund** each month?

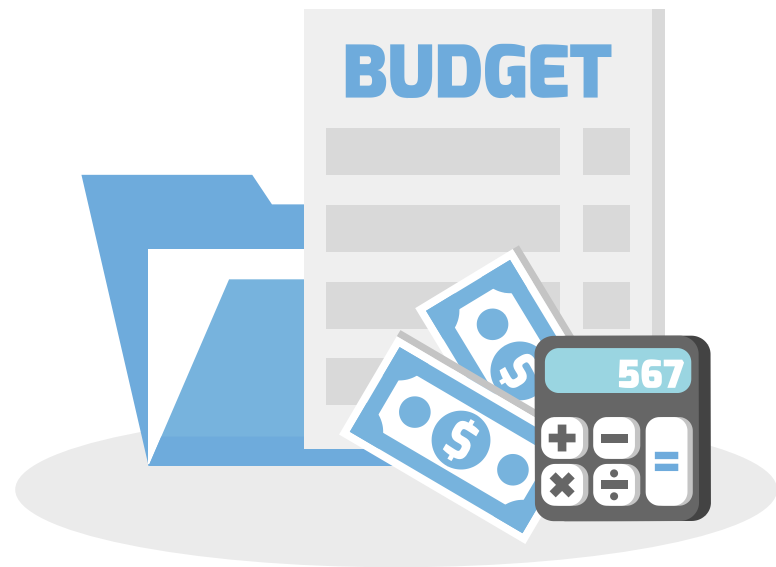


Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	\$45
Internet	\$65
Memberships	\$86
Emergency fund	
Total expenses	

Money In	
Income	\$5,404
Total income	\$5,404

\$5,404 - \$3,612 = \$1,792 is left after subtracting expenses from income

BUT there are many other expenses
ex. insurance, tax, car maintenance,
student debt, renovations, travel, etc.



Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	\$45
Internet	\$65
Memberships	\$86
Emergency fund	\$500
Total expenses	\$3,612

Money In	
Income	\$5,404
Total income	\$5,404

Based on your spending, you can create budgets outlining expected income/ expenses based on your financial goals.

Prioritize needs over wants!

Use coupons and discount codes!

Use money for savings or debt repayment!

Expenses	
Housing	\$1,619
Food	\$306
Utilities	\$284
Clothing	\$72
Car gas	\$250
Entertainment	\$385
Phone plan	\$45
Internet	\$65
Memberships	\$86
Emergency fund	\$500
Total expenses	\$3,612

Practice for Next Week's Test

Financial Literacy

NEED vs. WANT
Spending vs. Saving



Money



Budgeting



Interest



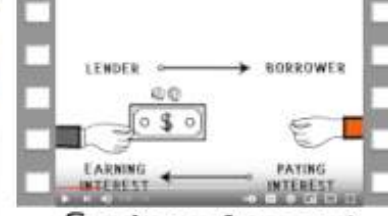
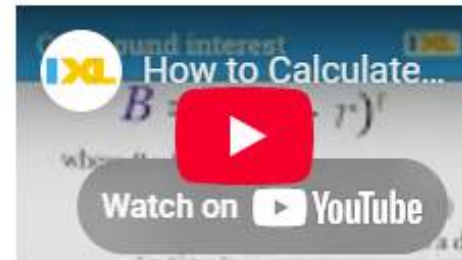
Taxes



Stocks



Compound Interest



Savings Account Interest



Money & Credit



Calculating Discounts



THE STOCK MARKET



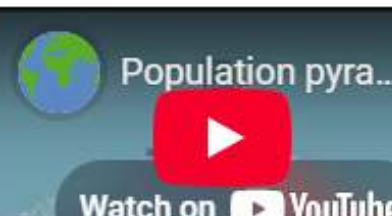
Economic Bubbles



Exchange Rates & Trade



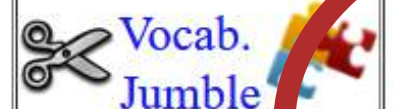
Watch on YouTube



Watch on YouTube



Criss Cross will make you...



Cut, Sort & Paste



Wordwall: 20 Terms



Money



SPENT

