**A&W MATH 11: ANALYZING AND ADJUSTING YOUR BUDGET**

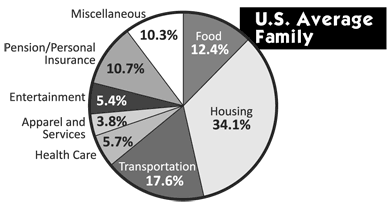
A) -though many people make a budget, they find it difficult to stay on it, or they find that their situation changes and they have to make adjustments to their budget.

-part of the problem is that people often pay bills first, and then anything left over goes into savings. A better idea is to pay yourself first, by putting a certain amount in savings, and then adjusting what you spend.

-a suggested Canadian spending guideline:

|  |  |  |  |
| --- | --- | --- | --- |
| savings | 10% | clothing | 2-5% |
| housing | 25-35% | recreation | 5-10% |
| utilities | 5-10% | Health care | 5-10% |
| food | 10-15% |  |  |
| transporation | 10-15% |  |  |
|  |  |  |  |

-it is hard to see and compare how much each takes up from a family budget and income. It is sometimes better to use a circle graph to compare expenses and expenditures:



-spreadsheets can make it easier to adjust you spending and can help you make a circle graph for visual comparisons of your spending.

B) Questions:

1) Jamie earns $500 a week.

i) He wants to save 12% of his earnings. How much does he save?

ii) Jamie gets a 3% raise, but continues to save 12% of his earnings. How much does he save now?

2) Sukhman saves $3000 a year, or 8% of his income.

i) What is Sukhman’s annual income?

ii) He wants to increase his savings to 10% of his annual income. How much does he save now?

iii) How much does he earn per month?

iv) This is his monthly budget:

|  |  |
| --- | --- |
| income | Expenses |
| Monthly pay | Mortgage $1300 |
|  | Food $550 |
|  | Transportation $200 |
|  | Clothing $250 |
|  | Utilities $375 |
|  | savings |
|  |  |
| Total income | Total expenses |

v) draw a circle graph of his spending:

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