Creating Budgets

Mark is in grade 12 and works part-time after school and on weekends.

His weekly earnings for the month of April were $136.74, $188.20, $209.38 and $173.66.
Mark saves $200 per month for college. His car is paid for and his insurance costs $123 per month.
He spends approximately $75 per month on fuel and approximately $100 per month on
entertainment.

a. Create a budget for Julian for the month of April.

	Income ($)		Expenses ($)	
Week 1				
Week 2				
Week 3				
Week 4				
Total		**Total**		
Balance (Income – Expenses) =				

b. Explain Julian's end-of-month balance.

c. What should Julian do with this balance?

Rebalancing a Budget

Jack and Jill have three children and own a four-bedroom house. This year, their car insurance increased by 5%, grocery expenses rose by 10%, and their home heating costs rose by 15%. Their monthly budget for **last year (2013)** is shown. All amounts are rounded to the nearest dollar.

INCOME ($)	
Jack	3200
Jill	2900
Total	

EXPENSES ($)					
Fixed Expenses	**Year 2013**	**Year 2014**	**Variable Expenses (Average)**	**Year 2013**	**Year 2014**
Mortgage / Tax	2040		Groceries	800	
House Insurance	32		Electricity	120	
Car Insurance	188		Heating	220	
Life Insurance	500		Water	65	
Long Term Savings	580		Telephone	35	
RESPs	400		Internet	35	
			Cable Television	30	
			Medical	170	
			Clothing	150	
			Home Repair Account	200	
			Charities	50	
			Entertainment	200	
			Vacation Account	200	
			Children's Accounts	150	
			Gift Account	100	
Total Fixed			**Total Variable**		
Total Expenses					

a. Verify that Jack and Jill's budget from last year was balanced by filling in the shaded cells.
b. Calculate the changes in their monthly budget and write them into the appropriate 2014 slot.
c. Rebalance Jack and Jill's budget. Be sure to explain how you did it!