- Budgeting → planning how you're going to spend money because you have to.
  +
- Protesting the Increase in the Cost of Living

https://www.theguardian.com/lifeandstyle/2011/jul/17/bread-food-arab-spring

https://www.vice.com/en_ca/article/59n7nx/canadians-will-pay-more-for-food-next-year-thanks-to-climate-change

PART A: APPLYING A % INCREASE OR DECREASE TO AN EXPENSE

Question 1: The cost of living in Paris is expensive. Adrien, who lives there, has budgeted $35 per week to buy gasoline for his car.

↳ "can't pay more than"

a) If the price of gas is $2.33/litre, how many litres of gas can he buy?

+ − × ÷

How many = AB / cost per unit

How many = 35 $ / 2.33 $/L

How many = 15.02 $/1 × 1/$ × L

$ × L / $

How many = 15.02 L

step i. identify amount budgeted

AB = 35 $

unit: what # is measured in.

step ii. Cost per unit.

2.33 $/1L

1 litre costs 2.33 $

step iii use formula

b) The French President Macron increased the price of gas by 7% to fight against air pollution and climate change. If Adrien's budget can't absorb any new expenses, how many litres of gas will $35 now get him?

↳ he has a tight budget

↳ he can't pay more.

original cost = 2.33 $/L

step i. calculate the new cost per unit.

New Cost = 2.33 + 0.07 × 2.33

New Cost = 2.49 $/L

New Cost = original cost + % × 0.c

(where % is expressed as decimal)

step ii Do step i and step iii

HM = AB / cost/unit

HM = 35 $ / 2.49 $/L

HM = 14.06 Litre

Do question 2 - 5 in lesson 18.

P9 4.

Question 5: How many pounds of meat could you buy with 40$ if the price is $12.50 a pound?

$Hm = \frac{AB}{cost/unit}$ $Hm = \frac{40\$}{12.50\$/lb}$

$Hm = 3.2\ lb$

a) With the same amount of money, calculate how many more pounds of meat you could buy if the price per pound decreased by 3%.

$Hm = \frac{40\$}{12.13\$/lb}$

$Hm = 3.2976\ lb$

$Hm = 3.3\ lb$

$new\ cost = old\ cost \pm \%\ \times old\ cost$

$new\ cost = 12.5 - 0.03 \times 12.5$

$new\ cost = 12.13\ \$/lb$

How much more? $(3.3 - 3.2)$ $0.1\ lb$ more

b) Calculate how many pounds less of meat 40$ could get you if the price per pound increased by 2.5%.

$Hm = \frac{AB}{cost/unit}$

$Hm = \frac{40\$}{12.81\$/lb}$

$Hm = 3.12\ lb$

$new\ cost = old\ cost \pm \%\ \times old\ cost$

$new\ cost = 12.5 + 0.025 \times 12.5$

$new\ cost = 12.81\ \$/lb$

lb = pound

2.5 %

$2.5\ \frac{\%}{\%}\ 100$

0.025

How much less?

$(3.21b - 3.12lb)$

0.08lb less!

Verifying if a Budget can Absorb an unexpected Expenses

https://ptmoney.com/budgeting-for-unexpected-expenses/

↳ pay for the expense w/out deficit

→ Labeling / Naming Expenses

→ · Fixed cost
· Rent

→ · Variable costs
· Food

→ Emergency Expense → 3 months of salary should be saved.
in stock market?
no

→ Miscellaneous Expenses
↳ one-time optional random purchase
e.y. winter coat → $500

Jan Feb
deficit

↳ a deficit is okay

→ Irregular Expense

↳ Reoccuring expense, not at a montly interval
→ ex. every 3 months.
ex. money for drug store
· contacts / glasses
· dentist
↳ 250$ every 3 month

↳ a deficit is not okay

↳ spread out payment over months.

Jan Feb march
$\frac{\$250}{3}$ $\frac{\$250}{3}$ $\frac{\$250}{3} = \$83.33$

PART B: VERIFYING IF A BUDGET CAN ABSORB AN INCREASE OF AN EXPENSE OR AN UNEXPECTED EXPENSE

Question 1:

a) Below is Adrien's budget. How much has he budgeted for taxis?

↳ $ planned for taxi.

----MONTHLY BUDGET----

Revenue	
Salary	366
Allowance	160
CPP (government)	500

Expenses	
Fixed Costs	
· Rent	500
· Hydro	30.85
Variable Costs	
· Food	300
· Taxi	190

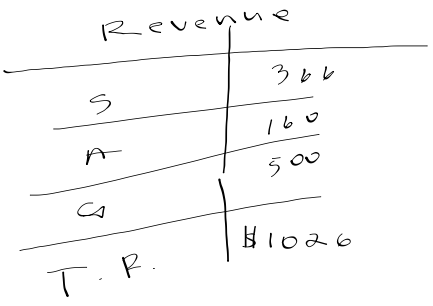
$190

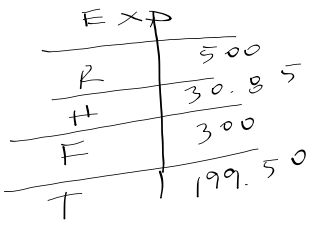
b) Since the price of gas has gone up, the price of taxis has also gone up by 5%. Can he still afford this expense?

new cost = o.c. + 0.05 × o.c.

N.C = 190 + 0.05 × 190

N.C = 199.50 $ → variable





step i. calculate expense and label it

step ii. create budget.

T.E. 1030.35 $

Budget Surplus or Deficit | T.R. − T.E.

− 4.33 $

deficit for a variable cost → always bad.

∴ his budget can not absorb expenses.

Jan

----MONTHLY BUDGET----

Revenue	
Salary	366
Allowance	160
CPP (government)	500

T.R. $1026

Expenses	
Fixed Costs	
Rent	500
Hydro	30.85
Variable Costs	
Food	300
~~Taxi~~	~~190~~

miscellaneous $350
bike

T.E. $1180.35

D/S T.R. − T.E.
$ −154.85

Feb

----MONTHLY EXP

Revenue	
Salary	366
Allowance	160
CPP (government)	500

T.R. $1026

R 500
H 30.98
Food 300
bike 154.85

T.E.
985.70

D/S T.R. − T.E
$ 40.30

c) If he eliminates taxis from his budget, could he afford to buy a bicycle that costs $350 and use that as his transportation?

mis.

For homework finish handout.

deficit okay cause small miscell and pay next month.