Financial Literacy

1. *Imagine what job you will have at 20 years old.* **Write it on the sheet entitled “monthly budget”.**

a) This job needs to be realistic for a 20-year-old

b) This job cannot require any more education than an apprenticeship or diploma

c) This job cannot be a celebrity or sports star

2. **Decide how you are going to be paid: salary, wages or piecework. Write this information on ANOTHER SHEET OF PAPER.**

3. **Explain why you chose to be paid in this way**

4. *Choose the number of hours you will work in a week or the number of jobs you will complete in a week*

5. **Calculate your gross income for a pay period (two weeks) based on a wage, salary, or piecework rate reasonable to your job**

6. **Calculate your net income after income tax for the month**

7. *Look up the real costs of the expenses you have in life as a 20-year-old adult*

8. **Create a realistic budget for one month based on your research.**

*a) Housing costs include things like electricity, natural gas, insurance, cleaning, maintenance, internet, home phone, etc*

*b) The cost of food includes groceries, restaurants, drinks, etc*

*c) Clothing includes sportswear, shoes and accessories*

*d) Healthcare includes prescription and non-prescription medicines, dietary supplements and paramedical professionals such ad dentists, optometrists, massage and chiropractor*

*e) Transportation includes a transit pass,* ***or*** *bike maintenance,* ***or*** *gas, maintenance, parking and car insurance.*

*f) Recreation includes things like video games, movies, streaming subscriptions, sports games, concerts, gym or team membership*

*g) Other includes things that don’t fall into the other categories. Saving for annual expenses or replacing durable goods can go here as well.*

*h) You need to make a monthly payment of at least $200 on a loan or debt*

**9. At the end of your budget, compare your total expenses to your net revenue by subtracting your expenses from your net revenue.**

10. *If the number in (9) is positive, you have saved money. If the number is negative, you are in debt.*

11. a) *If you have saved money, do question 12*

*b) if you are in debt, do question 13*

12. *You will use the money you saved to pay off your student loan. Go to the website “Government of Canada Student Loan Repayment Estimator”. Select an amount between $5000 and $10000. Use the website to create two different repayment scenarios.* **Write down these two scenarios. Describe why you would choose one over the other.**

13. You are spending too much money. Look at your budget and find the expenses that are non-essential. **Write down which expenses you would cut out or minimize. Why these things and not others? Which expenses would you never cut out? Why not?**

Your mark:

*Use Mathematical arguments to support personal choices (Parts 2, 3, 5, 6)*

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| --- | --- | --- |
| Exceeding Expectations | Meeting Expectations | Minimally meeting expectations |
| Your explanation of the type of pay chosen is based on mathematical reasoning  Your gross income calculation is based on overtime time  Your net income calculation is accurate | Your explanation of the type of pay chosen is based on reasoning  Your gross income calculation is based on straight time  Your net income calculation is accurate | Your explanation of the type of pay chosen is somewhat based on reasoning  Your gross income calculation is based on straight time  Your net income calculation is close to accurate |

*Estimate reasonably based on mathematical information (Parts 8, 9)*

|  |  |  |
| --- | --- | --- |
| Exceeding Expectations | Meeting Expectations | Minimally meeting expectations |
| The amount given for income is researched and referenced  The amount given for expenses in the budget are reasonable and well researched | The amount given for income is reasonably estimated  The amount given for expenses in the budget are mostly reasonable | The amount given for income is somewhat reasonable  The amount given for expenses in the budget are somewhat reasonable |

*Budget reasonably based on a future scenario (Part 9, 12 or 13)*

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| Exceeding Expectations | Meeting Expectations | Minimally meeting expectations |
| All necessary and reasonable expenses are account for in accurate detail  Your explanations of what to minimize and what not to minimize are reasonable and mathematically referenced | All necessary and reasonable expenses are account for  Your explanations of what to minimize and what not to minimize are reasonable | Most necessary and reasonable expenses are account for  Your explanations of what to minimize and what not to minimize are somewhat reasonable |