

8.1 Math IIAW - notes

Read chart on page 218.

banks - owned by private corporations
- government licenced

Credit unions - owned by members &
account holders
- Similar services to banks

loan companies - where you go for a loan
or mortgage.
- not used for day to day
banking.

Investment companies - an institution which
helps you decide how you
invest your savings
- not used for day to day
banking; only investing.

trust companies - like an investment
company but manages money
for companies, estates (wills),
and inheritances.

Wealth management - wealth = extra money
- management - invest
extra money to make
more money

8.2 Math 11 AW - notes

Types of Accounts - read pg 220

Chequing - used for day to day banking

- paying bills, debit card, ATM withdrawal/deposit
- low fees
- low interest

Savings - not to be used often

- high fees
- higher interest than chequing.

TFSA - tax free savings account

- don't have to pay taxes on earned interest.
- harder to withdraw money from: (1-2 day waiting period)
- must be 18+ years old

8.3 Debit Cards

- can pay bills, purchase items, withdraw cash, and transfer money
- be careful with ATM fees - can be \$1.50 to \$3 per transaction at a different bank's ATM
- can use debit card worldwide, but will have to pay fee + exchange.

8.4 Math 11AW - notes

Online banking:

- 24/7 access
- no line ups
- instant access
- you can do almost all the same things as you could at a bank.

Passwords

- identity theft & hacking are common
- make sure your password is not easy to guess. (shouldn't be \rightarrow birthday, name address, phone number)
- a good password has
 - letters
 - numbers
 - characters (#, @, /, *)
 - some capital letters

8.5 Budgets

fixed expenses - bills you have to pay the same amount every month

variable expenses - bills that can change every month.

recurring expenses - bills that happen over & over (but not necessarily every month)

Creating a budget

- ① list your income
- ② list all your fixed expenses.
- ③ list all variable expenses - since they vary in amount - use an average.

- ④ list - savings (desired amount)
 - unusual expenses (gifts, trips, entertainment)

Once you have listed all of these things - subtract all expenses and other goals (savings etc)

- If you have a negative number, readjust the variable expenses & other needs
- If you have a positive number, decide what to do with the extra \$

Things you should include in your budget.

- rent
- insurance (car & house)
- phone
- car payment
- bus pass
- electricity
- gas
- food
- heat
- clothing
- entertainment (games, movies, gym, eating out)
- personal care (shampoo, deodorant, toothpaste)
- savings
- misc (gifts, school supplies)

8.7 Budgets & Technology

- go into Excel (Green X)

- type in all of your budget items.

- fill in all amounts.

→ for the total; put = sum() and highlight all items.

→ adjust when needed

A spreadsheet is helpful to create a working document that you can adjust easily.

- it can also find % values (ie. savings = 16%)