Personal Finance Name _____ Sec. 6.3 Setting Financial Goals Date Period 1. Add or subtract decimals. Example: \$81.15 + \$205.67 = \$286.82 a. \$46.17 + \$118.93 = c. \$187.93 - \$40.08 = b. \$64.15 + \$87.04 = d. \$97 - \$15.16 = 2. Divide decimals. Round to the nearest cent (\$.01) if necessary. Example: \$540 ÷ 125.10 = \$4.32 a. \$512.45 ÷ 4 = \$278.48 ÷ 2 = C. b. \$810.40 ÷5 = d. $$1,118.94 \div 3 =$

- 3. Convert decimals to percentages by moving the decimal two places to the right. Example: 0.15 \rightarrow 15%
 - a. 0.0156 \rightarrow c. 0.12 \rightarrow
 - b. 0.035 \rightarrow d. 0.0417 \rightarrow

4. Briefly describe what a Financial goal might be.

5. Inflation has to do with what measurable quality of a good?

6. Phoebe wants to save for a down payment on a new house. She currently has \$5,500 in savings and needs to save a total of \$20,000. She plans to save \$725 each month for her down payment. How long will it take Phoebe to reach her goal?

7. Amin and Tori have decided that they need to save \$22,000 for their daughter's college fund. They have 12 years before they will need the money. How much will they need to save each month to reach their goal?

In 2008, a gallon of whole milk cost \$2.65. In 2011, a gallon of whole milk cost \$3.39. What is the overall rate of inflation for this three-year period? What is the approximate average annual rate of inflation?

Autumn has a part-time job doing contract work for a local temporary agency. Her monthly budget is shown here. Use Autumn's monthly budget to answer questions 9 through 12.

Autum	nn Monthly	
Budget		
Category	Amount	Totals
Wages	\$1,434	
Contract work	\$750	
Total Income		\$2,184
Savings:		
Savings account	\$210	
Total Savings		\$210
Expenses:		
Rent	\$850	
Utilities	\$195	
Phone	\$78	
Gas and oil	\$91	
Food	\$350	
Charitable giving	\$140	
Clothing	\$35	
Entertainment	\$145	
Miscellaneous	\$90	
Total Expenses		\$1,974
Total Savings and Expenses		\$2,184
	·	·
Balance		<\$0.00

9. Due to an increase in gasoline costs, Autumn needs to adjust her gasoline and oil budget to \$110 per month. She wants to adjust her entertainment budget to reflect that change. What is Autumn's new entertainment budget?

- 10.Autumn also learned that next month her rent will increase to \$925. She would like to split that budget adjustment between miscellaneous and charitable giving. What will be the new budget amounts for those two categories?
- 11.Autumn just received a new contract at work and is now earning an additional \$200. First state what percentage increase to her overall income this \$200 represents. Then please decide on one or more wants or needs of your own that you would suggest Autumn to put this money towards, and explain if this will be an ongoing cost or a one-time expense.

12. Why is is desirable to have a balance of <\$0.00> at the end of the month?