



My Dream Business



If you could open and own any type of business, what would it be? Why? _____

Describe your business. What goods and/or services would you sell? _____

Are there a lot of other businesses similar to yours? How do you know? _____

What would you do in order to distinguish yourself from other similar businesses?

What would you do to let people (potential buyers) know about your business?

What do you think would make your business a success? _____

What are some possible reasons why your business might fail? _____

<u>Rank</u>	<u>Career</u>	<u>Average Pay</u> (salary and bonus)
1	Software engineer	\$80,427
2	College professor	\$81,491
3	Financial advisor	\$122,462
4	Human resources manager	\$73,731
5	Physician assistant	\$75,117
6	Market research analyst	\$82,317
7	Computer/IT analyst	\$83,427
8	Real estate appraiser	\$66,216
9	Pharmacist	\$91,998
10	Psychologist	\$66,359
11	Advertising manager	\$107,049
12	Physical therapist	\$54,883
13	Technical writer	\$57,841
14	Chiropractor	\$84,996
15	Medical scientist	\$70,053
16	Physical scientist	\$80,213
17	Engineer	\$76,100
18	Curriculum developer	\$55,793
19	Editor	\$78,242
20	Public relations specialist	\$84,567
21	Sales manager	\$135,903
22	Optometrist	\$93,670
23	Property manager	\$78,375
24	Actuary	\$81,509
25	Writer	\$60,519
26	Social service manager	\$74,584
27	Paralegal	\$61,204
28	Health services manager	\$92,211
29	Advertising sales agent	\$112,683
30	Physician/Surgeon	\$247,536
31	Management analyst	\$63,426
32	Occupational therapist	\$51,973
33	Mental health counselor	\$53,150
34	Landscape architect	\$50,383
35	Biotechnology research scientist	\$66,393
36	Urban planner	\$60,891
37	Lawyer	\$153,923
38	Speech-language pathologist	\$58,329
39	Meeting and convention planner	\$56,072
40	Dietitian/Nutritionist	\$52,244
41	Biological scientist	\$61,317
42	Financial analyst	\$66,203
43	Dentist	\$122,883
44	Accountant	\$62,575
45	Environmental scientist	\$59,027
46	Lab technologist	\$51,502
47	Registered nurse	\$68,872
48	Sales engineer	\$78,875
49	Veterinarian	\$79,923
50	School Administrator	\$73,767

Career & Average Pay

Teachers \$50,289
Electrical and electronics repairers \$56,644
Financial examiners \$72,558
Set and exhibit designers \$57,372
Aerospace engineering \$57,086
Fashion designers \$73,290
Operations research analysts \$76,595
Legal support workers \$39,804
Funeral directors \$61,443
Conservation scientists \$59,108
Recreational therapists \$40,299
Tax examiners and collectors \$53,920
Reporters and correspondents \$37,270
Statisticians \$79,125
Chemical technicians \$47,112
Broadcast news analysts \$65,269
Credit analysts \$53,958
Legislators \$35,234
Machine tool operator \$45,852
Dental hygienists \$68,153
Forensic science technicians \$52,604
Occupational therapist assistants \$42,639
Trainers and aerobics instructors \$41,966
Marriage and family therapists \$48,058
Social workers \$43,773
Interpreters and translators \$38,159
Architects \$48,932
Biological technicians \$40,394
Anthropologists and archeologists \$52,086
Commercial pilots \$98,392
Producers and directors \$45,808
Curators \$49,420
Interior designers \$50,625
Arbitrators and mediators \$64,079
Therapists \$49,662
Financial managers \$128,910
Real estate sales agents \$27,654
Financial specialists \$88,578
Multi-media artists and animators \$47,492
Child care workers \$41,883
Budget analysts \$63,835
Animal scientists \$52,714
Probation officer & correction officer \$47,583
Library assistants, clerical \$38,032
Secretaries/administrative assistants \$70,599
Agents of performers and athletes \$86,218
Art directors \$94,662
Astronomers \$104,691
Construction managers \$74,873
Psychologists \$77,734

Career & Average Pay

Physical therapist assistants \$42,086
Audiologists \$57,873
Loan officers \$76,257
Office managers \$61,819
Insurance underwriters \$56,978
Law clerks \$39,741
Chemists \$68,749
Physicists \$76,759
Insurance sales agents \$79,741
Bookkeeper \$34,858
Economists \$102,565
Librarians \$52,977
Sociologists \$68,724
Insurance claims clerks \$31,721
Historians \$54,629
Supervisors of retail sales workers \$43,843
Respiratory therapy technicians \$41,854
New accounts clerks \$32,444
Fire inspectors and investigators \$52,659
Rehabilitation counselors \$49,998
Veterinary technicians \$29,122
Athletic trainers \$42,466
Computer Research \$96,797
Healthcare practitioners \$60,051
Coaches and scouts \$47,412
Loan counselors \$35,073
Microbiologists \$59,747
General and operations managers \$98,854
Administrative services managers \$71,585
Chefs \$44,176
Surgeons \$211,766
Embalmers \$40,914
Supervisor of police and detectives \$72,048
Claims adjuster \$42,533
Chief Executives \$254,643
School counselors \$42,020
Physical scientists \$89,151
Camera operators, movies & television \$49,151
Museum Technicians and Conservators \$40,084
Designers, all other \$49,664
Zoologists and wildlife biologists \$57,055
Cooks \$32,590
Distribution managers \$97,332
Occupational health and safety specialists \$73,029
Clergy \$40,583
Food service managers \$65,625
Commercial and industrial designers \$56,104
Music directors and composers \$49,289
Administrative Law Judges \$81,384
Broadcast technicians \$36,736

Economics is the study of production, distribution, and consumption of resources.

Four Laws of Supply and Demand

1. A decrease in demand causes a decrease in price and quantity sold.

Demand (Down) Price (Down) = limited interest

2. An increase in demand causes an increase in price and quantity sold.

Demand (Up) Price (Up) = excessive interest

3. A decrease in quantity supplied causes an increase in price and a decrease in quantity sold.

Supply (Down) Price (Up) = limited availability

4. An increase in quantity supplied causes a decrease in price and an increase in quantity sold.

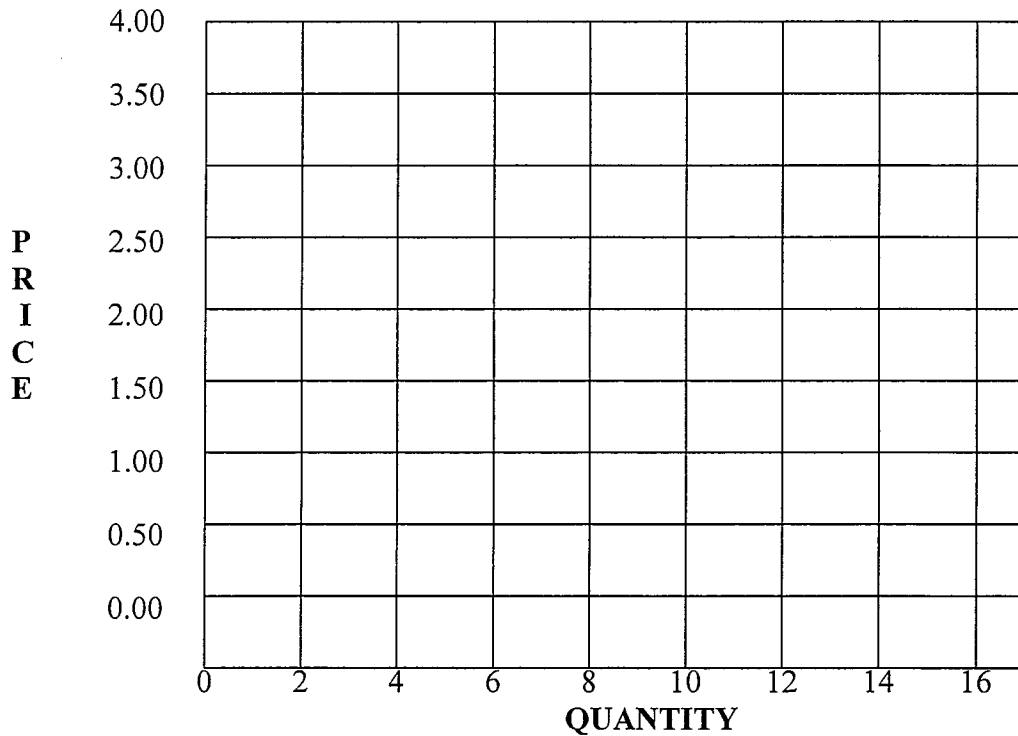
Supply (Up) Price (Down) = overproduction

Supply Curve (Blue) – Sellers willing to Offer

<u>Price</u>	<u>Quantity</u>	<u>Revenue</u>
3.00	10	_____
2.50	8	_____
2.00	6	_____
1.50	4	_____
1.00	2	_____

Demand Curve (Green) – Buyers willing to Accept

<u>Price</u>	<u>Quantity</u>	<u>Revenue</u>
3.00	2	_____
2.50	4	_____
2.00	6	_____
1.50	8	_____
1.00	10	_____



Equilibrium Point – The quantity and price that sellers are willing to offer are equal to the quantity and price that buyers are willing to accept.

The Equilibrium Point is: Price = _____ Quantity = _____ Revenue = _____

THE TIME VALUE OF MONEY—Invest Now Rather Than Later

**Billy Investing at Age 15
(10% Annual Return)**

Age	Invest \$3K/yr	Value
15	\$3K	\$3,300.00
16	\$3K	\$6,930.00
17	\$3K	\$10,923.00
18	\$3K	\$15,315.30
19	\$3K	\$20,146.83
20		\$22,161.51
21		\$24,377.66
22		\$26,815.43
23		\$29,496.97
24		\$32,446.67
25		\$35,691.34
26		\$39,260.47
27		\$43,186.52
28		\$47,505.17
29		\$52,255.69
30		\$57,481.26
31		\$63,229.38
32		\$69,552.32
33		\$76,507.55
34		\$84,158.31
35		\$92,574.14
36		\$101,831.55
37		\$112,014.71
38		\$123,216.18
39		\$135,537.80
40		\$149,091.58
41		\$164,000.74
42		\$180,400.81
43		\$198,440.89
44		\$218,284.98
45		\$240,113.48
46		\$264,124.82
47		\$290,537.31
48		\$319,591.04
49		\$351,550.14
50		\$386,705.16
51		\$425,375.67
52		\$467,913.24
53		\$514,704.56
54		\$566,175.02
55		\$622,792.52
56		\$685,071.77
57		\$753,578.95
58		\$828,936.84
59		\$911,830.53
60		\$1,003,013.58
61		\$1,103,314.94
62		\$1,213,646.43
63		\$1,335,011.08
64		\$1,468,512.18
65	\$1,615,363.40	

**Susan Investing at Age 19
(10% Annual Return)**

Age	Invest \$3K/yr	Value
15		
16		
17		
18		
19	\$3K	\$3,300.00
20	\$3K	\$6,930.00
21	\$3K	\$10,923.00
22	\$3K	\$15,315.30
23	\$3K	\$20,146.83
24	\$3K	\$25,461.51
25	\$3K	\$31,307.66
26	\$3K	\$37,738.43
27		\$41,512.27
28		\$45,663.50
29		\$50,229.85
30		\$55,252.84
31		\$60,778.12
32		\$66,855.93
33		\$73,541.53
34		\$80,895.68
35		\$88,985.25
36		\$97,883.77
37		\$107,672.15
38		\$118,439.36
39		\$130,283.30
40		\$143,311.63
41		\$157,642.79
42		\$173,407.07
43		\$190,747.78
44		\$209,822.55
45		\$230,804.81
46		\$253,885.29
47		\$279,273.82
48		\$307,201.20
49		\$337,921.32
50		\$371,713.45
51		\$408,884.80
52		\$449,773.28
53		\$494,750.61
54		\$544,225.67
55		\$598,648.24
56		\$658,513.06
57		\$724,364.36
58		\$796,800.80
59		\$876,480.88
60		\$964,128.97
61		\$1,060,541.87
62		\$1,166,596.05
63		\$1,283,255.66
64		\$1,411,581.22
65	\$1,552,739.35	

**Kim Investing at Age 27
(10% Annual Return)**

Age	Invest \$3K/yr	Value
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	\$3K	\$3,300.00
28	\$3K	\$6,930.00
29	\$3K	\$10,923.00
30	\$3K	\$15,315.30
31	\$3K	\$20,146.83
32	\$3K	\$25,461.51
33	\$3K	\$31,307.66
34	\$3K	\$37,738.43
35	\$3K	\$44,812.27
36	\$3K	\$52,593.50
37	\$3K	\$61,152.85
38	\$3K	\$70,568.14
39	\$3K	\$80,924.95
40	\$3K	\$92,317.45
41	\$3K	\$104,849.19
42	\$3K	\$118,634.11
43	\$3K	\$133,797.52
44	\$3K	\$150,477.27
45	\$3K	\$168,825.00
46	\$3K	\$189,007.50
47	\$3K	\$211,208.25
48	\$3K	\$235,629.07
49	\$3K	\$262,491.98
50	\$3K	\$292,041.18
51	\$3K	\$324,545.30
52	\$3K	\$360,299.83
53	\$3K	\$399,629.81
54	\$3K	\$442,892.79
55	\$3K	\$490,482.07
56	\$3K	\$542,830.27
57	\$3K	\$600,413.30
58	\$3K	\$663,754.63
59	\$3K	\$733,430.10
60	\$3K	\$810,073.11
61	\$3K	\$894,380.42
62	\$3K	\$987,118.46
63	\$3K	\$1,089,130.30
64	\$3K	\$1,201,343.33
65	\$3K \$1,324,777.67	

Returns on all investment products will fluctuate. Investment return and principal value will fluctuate and your investment value may be more or less than the original invested amount.

Billy invested \$102,000 less than Kim and has \$280,595.73 more

7. A Savings Account

1. About a savings account:

- (a) If you put \$100 in a hiding place and leave it there, how much will you have in a year? _____
- (b) If you put \$100 in a savings account at 6% interest, how much will you have in a year? (6% of \$100 = $.06 \times \$100 = \6.00 .) Add the interest to the original amount. _____
- (c) Would you rather have \$100 or \$106? _____

2. Reasons to save:

- (a) Put an X beside the reasons why some people might keep their money in a savings account.

- | | |
|--|---|
| <input type="checkbox"/> To keep money safe | <input type="checkbox"/> So they won't spend it |
| <input type="checkbox"/> In case they lose their job | <input type="checkbox"/> For an emergency |
| <input type="checkbox"/> For a special purchase | <input type="checkbox"/> It's a good habit |
| <input type="checkbox"/> So it won't get stolen | <input type="checkbox"/> For new clothes |
| <input type="checkbox"/> For a vacation | <input type="checkbox"/> To make their money "grow" |
| <input type="checkbox"/> For an unexpected illness | <input type="checkbox"/> To buy gifts |

- (b) List three reasons why you might want to save your money.

3. How to save:

- (a) Amanda saved \$10 every week for a year. At the end of a year (52 weeks), how much money did she have in her savings account?
_____, plus interest
- (b) Stan makes less money and has more expenses than Amanda. So he is only able to save \$2.50 each week. How much will Stan have in his savings account at the end of a year?
_____, plus interest
- (c) How much money would you like to try to save each week? _____
- (d) If you are able to save that amount each week, how much will you have in your savings account at the end of a year?
_____, plus interest

8. A Checking Account

Make out the checks and keep a check register for Lee West. Checks are on the next page.

1. On October 3rd, Lee made a deposit of \$300.
 Fill out the check register:
 (a) Write the date in the check register.
 (b) Write the amount of the deposit.
 (c) Under "balance," write the total amount in the account.

2. On October 5th, Lee wrote the first check, paying \$250 to Gloria Brown for a deposit on an apartment.
 Write the check:
 (a) Write check number "1."
 (b) Write the date on the check.
 (c) Make the check out to Gloria Brown.
 (d) Write the amount of the check in numerals and words.
 (e) Sign the check.
 (f) Make a note about what the check is for beside "Memo."
 Fill out the check register:
 (a) Write the number of the check used.
 (b) Write the date.
 (c) Tell to whom the check was written and why.
 (d) Write the amount of the payment.
 (e) To get the new balance, subtract the amount of the payment from the old balance.

3. On October 10th, Lee made a deposit of \$300.
 Fill out the check register:
 (a) Write the date in the check register.
 (b) Write the amount of the deposit.
 (c) To find the new balance, add the amount of the deposit to the old balance.

4. On October 12th, Lee paid \$75 to the Power and Light Co. to get the electricity turned on.
 (a) Write the check.
 (b) Fill out the check register.

5. On October 14th, Lee shopped for groceries at Bud's Market and paid by check. The groceries cost \$62.27.
 (a) Write the check.
 (b) Fill out the check register.

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT								
NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)	✓ T	FEE (IF ANY)	DEPOSIT/CREDIT (+)	BALANCE	
							\$	

(continued)

8. A Checking Account (continued)

CHECK NO. _____
_____ 20 _____ 71-587/749

PAY TO THE ORDER OF _____ \$ _____
_____ DOLLARS

FIRST NATIONAL BANK

MEMO _____

⑆074905872⑆ 251⑆⑆372⑆⑆8⑆ 4311

CHECK NO. _____
_____ 20 _____ 71-587/749

PAY TO THE ORDER OF _____ \$ _____
_____ DOLLARS

FIRST NATIONAL BANK

MEMO _____

⑆074905872⑆ 251⑆⑆372⑆⑆8⑆ 4311

CHECK NO. _____
_____ 20 _____ 71-587/749

PAY TO THE ORDER OF _____ \$ _____
_____ DOLLARS

FIRST NATIONAL BANK

MEMO _____

⑆074905872⑆ 251⑆⑆372⑆⑆8⑆ 4311

Compound Interest

“The most powerful force in the Universe is compound interest.”
Who made this famous quote?

Formula

P	principal, the amount you borrow or deposit
r	annual rate, use a decimal
t	time, number of years
A	amount of money including interest
n	number of times the interest is compounded per year
	annually = 1 quarterly = 4 monthly = 12
	weekly = 52 daily = 365

Example

You deposit \$1500 into your bank. The bank is paying an annual interest rate of 4.3%, which is compounded quarterly. What would your balance be after 6 years?

P	\$1500	principal
r	.043	4.3% annual rate, in decimal
t	6	years
A	????	amount with interest
n	4	number of times compounded, quarterly equals 4 times

Solution