

Rayven's First Car

In 2019 Rayven's grandparents bought a new 2019 Chevy Equinox SUV. In October, 2025 her grandparents decided to look for a new car since they had driven their Equinox 152,000 miles and they were ready for something new. On October 15, 2025, they bought a 2026 Ford Escape Platinum Hybrid.

Rather than trade in their Equinox, they decided to give the car to Rayven who would be 16 on August 1, 2026. But her grandparents and parents agreed that she would be responsible for the car expenses starting on her 16th birthday when she could get her driver's license. In the meantime, she could drive the car with an adult on her learner's permit and have time to figure out how she was going to pay the car expenses.

All this sounded great to Rayven. A free car with lots of bells and whistles. She could hardly wait until her 16th birthday. In fact, when there wasn't an adult to drive with her, she would even go sit in the car alone and just play the satellite radio.

And suddenly it was her 16th birthday with car expenses to pay. And BTW, Rayven is an excellent volleyball player who would like to play college volleyball on an athletic scholarship. She is the leader of her high school varsity team which plays in the fall with practices, weekday games and Saturday tournaments. She also plays winter club volleyball from January through June which she has done for several years where she also has practices, evening games and Saturday tournaments.

1) Rayven's car holds 15.9 gallons of gas. On her birthday the price of gas was \$4.49 a gallon. She put 14.6 gallons in the tank using birthday money. How much did she spend? Round to the nearest cent \$ 65.55

2) Rayven's monthly car insurance premium is \$182 for full coverage which includes liability, collision, comprehensive, medical payments and uninsured motorist. Do you believe Rayven should pay for full coverage or drop some coverages to save money?

3) If Rayven takes a part-time job, her minimum wage will be \$14 an hour. Her total withholding taxes would be 22.65%. What would be her net pay per hour \$ 10.83

4) Assume she buys 22.4 gallons of gas in September at \$4.29 a gallon and pays her \$182 September insurance bill. How many hours will she have to work in September to meet those two expenses? Round to the nearest cent..... 26 Hours

5) What other periodic expenses will Rayven have to pay for?

6) Do you think Rayven can meet her expenses and keep the car? How would you make it work?
