

Section 3-2

Multiple Choice

Identify the choice that best completes the statement or answers the question.

Figure 3.1. Use this chart with the question(s) about the Thompson family below.

A MONEY MANAGER FOR <u>Thompson Family</u>		DATE <u>10/01/--</u>
MONTHLY LIVING EXPENSES		MONTHLY FIXED EXPENSES
Food/Grocery Bill.....	\$ <u>232.00</u>	Rent/Mortgage Payment... \$ <u>675.00</u>
Household Expenses		Car Payment
Electricity	\$ <u>167.20</u>	Other Installments
Heating Fuel	\$ <u>45.09</u>	Appliances.....
Telephone.....	\$ <u>31.87</u>	Furniture.....
Water	\$ <u>13.07</u>	Regular Savings.....
Garbage/Sewer Fee	\$ <u>16.33</u>	Emergency Fund.....
Other.....	\$ _____	TOTAL.....
TOTAL.....	\$ _____	\$ <u>978.50</u>
		ANNUAL EXPENSES
Transportation		Life Insurance.....
Gasoline/Oil	\$ <u>25.00</u>	Home Insurance.....
Parking	\$ _____	Car Insurance.....
Tolls.....	\$ _____	Real Estate Taxes
Commuting.....	\$ _____	Car Registration.....
Other.....	\$ _____	Pledges/Contributions.....
Personal Spending		Other.....
Clothing.....	\$ <u>30.00</u>	TOTAL.....
Credit Payments	\$ <u>60.00</u>	\$ <u>2,631.50</u>
Newspaper, Gifts, Etc.....	\$ <u>25.00</u>	MONTHLY SHARE
Pocket Money.....	\$ <u>57.00</u>	(Divide by 12).....
Entertainment		\$ _____
Movie/Theater	\$ _____	MONTHLY BALANCE SHEET
	\$ <u>5.00</u>	Net Income
Sporting Events	\$ <u>12.00</u>	(Total Budget).....
Recreation	\$ _____	Living Expenses.....
Dining Out.....	\$ <u>10.00</u>	Fixed Expenses
TOTAL.....	\$ <u>505.00</u>	Annual Expenses.....
		\$ _____
		TOTAL MONTHLY
		EXPENSES.....
		\$ _____
		BALANCE.....
		\$ _____

- _____ 1. Use Figure 3.1. What is the Thompsons' monthly expenditure for personal spending?
- | | |
|-------------|-------------|
| a. \$172.00 | c. \$321.00 |
| b. \$232.00 | d. \$245.88 |
- _____ 2. Use Figure 3.1. What is the Thompsons' monthly expenditure for household expenses?
- | | |
|-------------|-------------|
| a. \$287.33 | c. \$273.56 |
| b. \$276.83 | d. \$333.45 |
- _____ 3. Use Figure 3.1. What do the Thompsons pay each month to repay their mortgage?

- a. \$765.00
- b. \$675.00
- c. \$465.00
- d. \$765.50

_____ 4. Use Figure 3.1. How much do the Thompsons spend monthly for real estate taxes?

- a. \$1,215.00
- b. \$125.00
- c. \$209.88
- d. \$101.25

_____ 5. Use Figure 3.1. What is the Thompsons' monthly share of their annual expenses?

- a. \$312.45
- b. \$219.29
- c. \$410.09
- d. \$265.09

