

## MIDTERM REVIEW DAY 3

### TOPIC 1: BUDGETING

WORD	DEFINITION	EXAMPLE
Monthly <b>LIVING</b> Expenses	Vary each month	Food, heat
Monthly <b>FIXED</b> expenses	Same every month	Rent, car payment
<b>ANNUAL</b> expenses	Yearly amount due broken into monthly payments	Car insurance, taxes

Under Budget = **POSITIVE #**

Over Budget = **NEGATIVE #**

Monthly Living Expenses		Monthly Fixed Expenses	
Food/Grocery Bill	\$323.67	Mortgage Payment	\$3,257.88
Household Expenses:		Car Payment	\$522.50
Electricity	\$165.92	Regular Savings	\$500
Heating Fuel	\$453.20	Emergency Fund	\$350
Telephone	\$112		
Water	\$47.25		
Total Household Expenses:		<b>TOTAL MONTHLY FIXED EXPENSES:</b>	
<b>Transportation:</b>		<b>Annual Expenses</b>	
Gasoline/Oil	\$215.43	Life Insurance	\$1,265.00
Parking	\$0	Home Insurance	\$3,200.00
Tolls	\$87.50	Car Insurance	\$1,700.00
Commuting	\$350	Real Estate Taxes	\$2,500.00
Total Transportation Expenses:		Car Registration	\$85.00
		Contributions	\$500.00
<b>Personal Spending:</b>		<b>TOTAL ANNUAL EXPENSES:</b>	
Clothing	\$325.75		
Credit Payments	\$130		
Newspapers, Gifts	\$50		
Pocket Money	\$250		
Total Personal Spending:		<b>Monthly Share</b>	
		(÷12)	
Entertainment:			
Movies/Theatre	\$280		
Dining Out	\$230.54		
Total Entertainment:			
<b>TOTAL MONTHLY LIVING EXPENSES:</b>			
<b>Monthly Balance Sheet</b>			
Living Expenses:	_____	Net Income:	_____
Fixed Expenses:	_____	Total Monthly Expenses:	_____
Annual Expenses (per month):	_____	Balance:	_____
Total Monthly Expenses:	_____		

*Example:* If your monthly net income is \$1000, you allocate 10% of your budget to groceries and you spend \$250 this month, are you over or under budget? By how much?

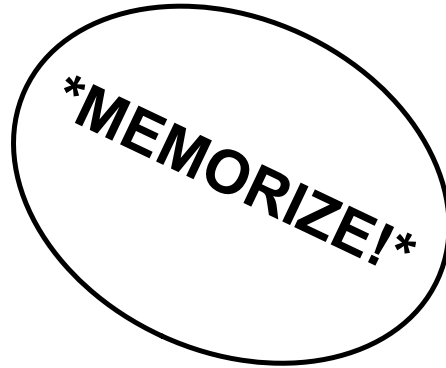
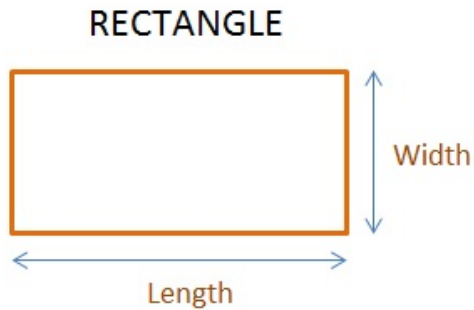
## TOPIC 2: CREDIT CARDS

WORD	DEFINITION	EXAMPLE
APR	How much interest you are charged per YEAR	21.75% APR
Periodic Rate	Monthly interest rate ( $\text{APR} \div 12$ )	1.81%
Minimum Payment	The smallest payment you can make toward your credit card balance each month	\$35.00



*Example:* If you spent \$100 on your credit card, your APR is 21.75%, and your minimum payment this month is \$35.00. What will your balance be for the next billing cycle?

## TOPIC 3: AREA



Area of rectangle =  $Length \times Width$

When finding the area of a shaded region:

$$\text{AREA}_{(\text{BIG})} - \text{AREA}_{(\text{SMALL})}$$

*Example:* Find the area of the shaded region below-

