

## MEMORANDUM OF ASSUMPTIONS

- I. Dates of key events
  - a. April 15, 2004: The defendant demanded that the plaintiff obtain summer employment.
  - b. September 15, 2006: The plaintiff noticed that the defendant had withdrawn a couple of thousand dollars from the joint savings account. When she confronted him about it, he became defensive.
  - c. September 22, 2006: The defendant “took a swing” at the plaintiff when the plaintiff asked him to explain the disappearance of thousands of dollars from the joint savings account.
  - d. December 7, 2006: The plaintiff arrived home early from work and saw a woman leaving from the side entrance of her home.
  - e. December 15, 2006: The plaintiff returned home from work to discover a woman in bed with her husband. From that night, until the time Alice asked Ralph to move out, Ralph slept in the spare bedroom.
  - f. March 15, 2007: The defendant moved out of the house and into an apartment.
- II. Case Information Statement: PART B – Miscellaneous Information
  - a. Beginning with the 2006-2007 school year, Alice receives health insurance through her employment as a teacher at Riverside Middle School
- III. Case Information Statement: PART C – Income Information
  - a. Part I: Alice earned \$36,600 in gross income in 2006 – \$28,000 from her full-time job as a teacher and \$8,600 from her part-time job as a waitress
  - b. Part III
    - i. Alice’s year-to-date earned income was calculated over a four month period – from 01/01/2007 through 04/21/2007
    - ii. The cost of Alice’s medical insurance through her employment at Riverside Middle School is \$250/month
    - iii. Alice has a 401(k) plan through her employment at Riverside Middle School. She contributes \$55/month

c. Part V

- i. Alice received a 7.14% raise for the 2006-2007 school year from \$28,000 to \$30,00
- ii. Alice has not received any bonuses, commissions, or other compensation in addition to her regular salary during the current or last calendar year

IV. Case Information Statement: PART D – Monthly Expenses

a. Schedule A

- i. Alice and Ralph spend \$50/month on lawn care
- ii. Maintenance expenses run an average of \$100/month
- iii. Alice's cell phone bill is \$60/month
- iv. Alice has internet access at her home. The service runs \$40/month

b. Schedule B

- i. Ralph and Alice each own their own vehicles. Alice's monthly car payment is \$175. Ralph's monthly car payment is also \$175
- ii. Ralph's (1) auto insurance; (2) gas and oil; and (3) registration, license, and maintenance is the same as Alice's
- iii. Both Ralph and Alice pay a \$5 monthly membership fee to AAA

c. Schedule C

- i. Alice has bad allergies. The unreimbursed amount that Alice spends on Prescription Drugs for her allergies is \$30/month.
- ii. When Ralph and Alice were happily married, they enjoyed eating out a couple of times each month. They would spend approximately \$300/month at nice restaurants. Alice takes Trixie out to eat just as often as Alice and Ralph used to eat out. They spend approximately \$200/month at fast food restaurants
- iii. The unreimbursed amount that Alice spends on getting her teeth cleaned is \$30/month.
- iv. Ralph and Alice are members of Bally's health club. The monthly dues are \$25

- v. Ralph and Alice plan three vacations per year: (1) a five-day ski trip to Stratton, VT in January, (2) a seven-day vacation to Aruba in March, and (3) a seven-day vacation to the Jersey shore in August. The cost of these vacations is \$4,800 per year. Alice would like to continue going on these vacations with her daughter. The cost is \$3,000
- vi. Ralph and Alice did a lot of entertaining when they were married. They especially liked to invite their friends over for dinner on Friday and Saturday nights. In addition, Ralph and Alice enjoyed going into the city on Sunday afternoons to see a Broadway play
- vii. Alice has a life insurance policy through Allstate in the amount of \$25,000. Alice pays \$55/month for this policy
- viii. Ralph has a term life insurance policy through Northwest Mutual Life in the amount of \$100,000 naming Alice and Trixie as beneficiaries. Ralph pays \$95/month for this policy
- ix. Alice and Ralph would invest an average of \$500/month from their combined incomes

V. Case Information Statement: PART E – Balance of all family assets and liabilities

a. Statement of Assets

- i. # 9: Term life insurance has no cash surrender value

b. Statement of Liabilities

- i. # 3: Revolving charges. Alice has two credit cards – a CITI card and an MBNA card. Her CITI card has a balance of \$500.00 with a monthly payment of \$30. Her MBNA card has a balance of \$1,000.00 with a monthly payment of \$60. Ralph has one credit card – a Chase card. His Chase card has a balance of \$2,500.00 with a monthly payment of \$125.

VI. Appendix IX-C: Sole Parenting Worksheet

a. Custodial parent: Alice. Non-custodial parent: Ralph.

- b. Line 1: Gross taxable income. According to the facts, Alice’s gross weekly salary from her most recent pay stub is \$697.67. And Ralph’s gross earned income in 2006 was \$45,973.50. I projected Ralph’s gross income in 2007 to be \$52,000 or \$1,000/week.

- c. Line 2A: Alice pays \$146.51/week in federal, state, and SUI/SDI taxes. I projected Ralph's federal, state, and local income tax withholding at \$250.00/week.
- d. Line 2C: Alice pays \$17.50/month or \$4.38/week in union dues.
- e. Line 8: Net work-related child care.

**NET CHILD CARE COST WORKSHEET**

1. Parent's adjusted gross income	\$1,000.00 (Ralph's gross income) + \$697.67 (Alice's gross income) = \$1,697.67. \$1,697.67 x 52 weeks = \$88,278.84
2. Annual work-related child care cost	I assumed that Trixie is enrolled in a day-care program while Alice is at school teaching and that Alice pays \$175/week in child care expenses. \$175 x 52 weeks = \$9,100
3. Maximum child care subject to federal tax credit	\$3,000
4. If the child care costs are greater than these amounts, enter the maximum dollar credit from Column 3 of the Tax Credit Table on Line 5	20%
5. Tax credit (line 3 x line 4)	\$600
6. Net annual child care expenses (line 2 – line 5)	\$8,500
7. Net weekly child care cost (Line 6/52)	\$8,500/52 = \$163.46

- f. Line 19: Adjustment for Parenting Time Expenses ( $L7 \times \%time \times 0.37$ ). Assume that Ralph gets Trixie two weekends every month (i.e. Friday through Sunday for four overnights per month). Assuming 30 days in a month, Ralph's percentage of time with Trixie is 4/30 or 2/15. To determine what the adjustment for parenting time expenses is per week, the calculation would be as follows:  $\$251$  (from line 7)  $\times 0.37 \times 2/15 / 4 = 3.10$
- g. Line 26:  $1.05 \times \$193$  (*pg* for one person) = \$202.65. Because the NCP result – \$512.71 – is greater than 105% of the *pg* for one person – \$202.65, I skipped line 25 and I entered \$237.29 (the line 20 amount) on line 26 in the worksheet