MANAGING YOUR FINANCES:

- Financial Responsibility
- Managing Your Finances
- Investing

Silver State Schools
Coastal Bend

Money

- Money is only a leverage to get from point “A” to point “B”.

- Money is only a tool. You manage the tool.

GOALS

Only 3% of people write down goals on paper.

Those who write it down accomplish 85% of their goals.
Be the LUCKY ONE!

- Luck is always when preparation and opportunity meet.

DETERMINE THE TIME FRAME!

- Short Term Goals - 3 months or less
- Medium Term Goals - 3 to 12 months
- Long Term Goals - more than one year

Delayed Gratification

- Don't give up what you want most for what you want now.
- Sweat Equity
Make Your Goals S.M.A.R.T.E.R.
- Specific
- M: Measurable
- A: Achievable
- R: Realistic
- T: Timely
- E: Excitable
- R: Reevaluate

Wants vs. Needs: Delayed Gratification
- In economics, a want is something that is desired or something that a person would like to have.

Wants are often distinguished from needs.
- A need is something that is necessary for survival (such as food and shelter).

- Gross Income
  - The amount of a person’s income before all of the deductions.

- Net Income
  - The amount of a person’s income after all of the deductions.
Money is only a tool.
You manage the tool.

Budgeting:

These are just some examples of expenses:

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The most important expense is P.Y.F., or pay yourself first.

No Bills: Save ½ Spend ½
With Bills: Save 10% of Gross
Computing Interest

- $\text{money} \times \text{Interest} \times \# \text{of days} = \text{365}

\[
\text{$500.00 \times 6\% \times 365 \times \text{365} = \$30.00$}
\]

Saving vs. Investing

- **Saving**
  - Helps you to meet your short-term goals
  - Earn a small amount of interest
  - Easy access
  - Risk Free (up to insured amount)

- **Investing**
  - Setting money aside for medium and long-term goals
  - Most have no guarantee of growth

Success Principles

1. Write down your goals. Share them!
2. Luck is when preparation and opportunity meet
3. Delayed Gratification
4. Sweat equity
5. Don't give up what you want most for what you want now.

THANK YOU!

QUESTIONS?
<table>
<thead>
<tr>
<th>MONTHLY INCOME GROSS</th>
<th>JOB</th>
<th>$2,040.00</th>
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<tbody>
<tr>
<td></td>
<td>TAXES</td>
<td>$214.00</td>
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<tr>
<td></td>
<td>NET</td>
<td>$1,826.00</td>
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<tr>
<td>MONTHLY EXPENSES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 PAY YOURSELF</td>
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<td>$204.00</td>
</tr>
<tr>
<td>2 RENT</td>
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<td>$400.00</td>
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<td>3 UTILITIES</td>
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<tr>
<td>4 CAR &amp; OIL CHANGE</td>
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<td>5 GASOLINE</td>
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<td>6 INSURANCE</td>
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<td>8 ENTERTAINMENT</td>
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<td>9 CLOTHING</td>
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<td>10 SCHOOL SUPPLIES</td>
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<td>11 CELL PHONE</td>
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<td>12 CREDIT CARD</td>
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<tr>
<td>13 TIRES 36 MO/$700.00 = $19.45</td>
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<tr>
<td>14 CAR TAGS 12 MO/$150 = $12.50</td>
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<tr>
<td>TOTAL EXPENSES</td>
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$2040 / 160 = $12.75
(160 is the number of hours worked if you work a 40 week)