



Money Made Easy for Young Adults



**All examples and strategies are
for educational purposes only.**

**Check with your accountant,
tax provider, financial advisor
or legal council to see how
these strategies apply to you.**



In with a

DREAM

out with a

PLAN



**“Some people make so much
money from their
business and investments,
they don’t have a job”**

**James Painter to his 14 year
old son, Tom**



3 Steps to Financial Freedom



3 Steps to Financial Freedom

Invest in Yourself First

Decrease your Expenses

**Increase your Income and
Networth**



3 Steps to Financial Freedom

Step 1

Invest in yourself first

- Money Made Easy for Adults
- How to Manage Your Money on 1 Piece of Paper
- Financial What If's
 - Where are you now?
 - Where will you be?
 - What If?
- Creating a compelling future, WHY are you doing this?



3 Steps to Financial Freedom

Step 2

Decrease your Expenses

- Every dollar you earn is either saved and invested or spent and consumed.
- Decrease your cash outflow without changing your lifestyle.
- Where does it all go?
- How much are you paying in taxes?



3 Steps to Financial Freedom

Step 3

Increase your Income and Networth

Job

Investments

Small Business

Real Estate



Does Money Grow on Trees?





YES!



**Would you
like to**

GROW

**your own
money tree?**





**What kind of a seed
do you use to grow a
money tree?**





**If you didn't
water your
money tree,

would it
grow?**





**What do you water
your tree with?**





Watch your money tree grow





Watch your money tree grow





Watch your money tree grow







**Would you like to
have a tree that
grows a million
dollars?**





You need to water your tree.

How many



do you water your tree with?





It all depends on *your age*.

How old are you?

***What kind of rate of return
are you getting?***



**If you simply leave your savings in
your piggy bank or checking
account at**

0%.

**This is how much you need
monthly to have a million dollars.**

Monthly savings required to reach \$1 Million by with a 0% rate of return.



Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly
1	\$1,302	16	\$1,701	31	\$2,451	46	\$4,386	61	\$20,833
2	\$1,323	17	\$1,736	32	\$2,525	47	\$4,630	62	\$27,778
3	\$1,344	18	\$1,773	33	\$2,604	48	\$4,902	63	\$41,667
4	\$1,366	19	\$1,812	34	\$2,688	49	\$5,208	64	\$83,333
5	\$1,389	20	\$1,852	35	\$2,778	50	\$5,556	<div>0% RETURN</div>	
6	\$1,412	21	\$1,894	36	\$2,874	51	\$5,952		
7	\$1,437	22	\$1,938	37	\$2,976	52	\$6,410		
8	\$1,462	23	\$1,984	38	\$3,086	53	\$6,944		
9	\$1,488	24	\$2,033	39	\$3,205	54	\$7,576		
10	\$1,515	25	\$2,083	40	\$3,333	55	\$8,333		
11	\$1,543	26	\$2,137	41	\$3,472	56	\$9,259		
12	\$1,572	27	\$2,193	42	\$3,623	57	\$10,417		
13	\$1,603	28	\$2,252	43	\$3,788	58	\$11,905		
14	\$1,634	29	\$2,315	44	\$3,968	59	\$13,889		
15	\$1,667	30	\$2,381	45	\$4,167	60	\$16,667		

Monthly savings required to reach \$1 Million by with a 3% rate of return.



Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly
1	\$430	16	\$748	31	\$1,412	46	\$3,259	61	\$19,634
2	\$446	17	\$778	32	\$1,481	47	\$3,497	62	\$26,581
3	\$462	18	\$809	33	\$1,554	48	\$3,763	63	\$40,481
4	\$478	19	\$842	34	\$1,632	49	\$4,064	64	\$82,193
5	\$496	20	\$876	35	\$1,716	50	\$4,405	<div>3% RETURN</div>	
6	\$514	21	\$913	36	\$1,805	51	\$4,796		
7	\$533	22	\$951	37	\$1,902	52	\$5,249		
8	\$553	23	\$992	38	\$2,007	53	\$5,777		
9	\$574	24	\$1,034	39	\$2,119	54	\$6,403		
10	\$595	25	\$1,079	40	\$2,242	55	\$7,156		
11	\$618	26	\$1,127	41	\$2,375	56	\$8,076		
12	\$642	27	\$1,177	42	\$2,520	57	\$9,229		
13	\$666	28	\$1,231	43	\$2,678	58	\$10,713		
14	\$692	29	\$1,288	44	\$2,853	59	\$12,693		
15	\$719	30	\$1,348	45	\$3,045	60	\$15,468		

Monthly savings required to reach \$1 Million by with a 10% rate of return.



Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly
1	\$14	16	\$64	31	\$292	46	\$1,479	61	\$17,029
2	\$16	17	\$71	32	\$324	47	\$1,665	62	\$23,934
3	\$17	18	\$78	33	\$359	48	\$1,879	63	\$37,812
4	\$19	19	\$86	34	\$398	49	\$2,126	64	\$79,583
5	\$21	20	\$95	35	\$442	50	\$2,413	<div>10% RETURN</div>	
6	\$23	21	\$106	36	\$491	51	\$2,749		
7	\$26	22	\$117	37	\$546	52	\$3,145		
8	\$29	23	\$129	38	\$608	53	\$3,617		
9	\$32	24	\$143	39	\$676	54	\$4,187		
10	\$35	25	\$158	40	\$754	55	\$4,882		
11	\$39	26	\$175	41	\$841	56	\$5,745		
12	\$43	27	\$194	42	\$938	57	\$6,841		
13	\$47	28	\$215	43	\$1,049	58	\$8,268		
14	\$52	29	\$238	44	\$1,174	59	\$10,193		
15	\$58	30	\$263	45	\$1,317	60	\$12,914		

Monthly savings required to reach \$1 Million by with different rates of return.

0%

3%

10%

Age	Monthly	Monthly	Monthly
1	\$1,302	\$430	\$14
5	\$1,389	\$496	\$21
10	\$1,515	\$595	\$35
15	\$1,667	\$719	\$58
20	\$1,852	\$876	\$95
25	\$2,083	\$1,079	\$158
30	\$2,381	\$1,348	\$263
35	\$2,778	\$1,716	\$442
40	\$3,333	\$2,242	\$754
45	\$4,167	\$3,045	\$1,317
50	\$5,556	\$4,405	\$2,413
55	\$8,333	\$7,156	\$4,882
60	\$16,667	\$15,468	\$12,914
64	\$83,333	\$82,193	\$79,583



Steps to making money, so you can grow your own money tree





Make Money
Separate Your Money
Give to Church or Charity
Save and Invest
Spend



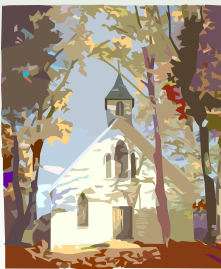
Lets play with the money



1. Make Money



2. Separate Your Money



3. Give to Charity



4. Water your Money Tree



5. Spend the Rest





Watch how fast money grows



Which would you rather have?

1 penny
doubled every
day for 40 days



\$1,000 each
day for 40 days



Q: What can you buy for a \$1,000?

A: A computer or a stereo.

Which would you rather have?

1 penny
doubled every
day for 40 days



\$10,000 each
day for 40 days



Q: What can you buy for a \$10,000?

A: A car.

Which would you rather have?

1 penny
doubled every
day for 40 days



\$100,000 each
day for 40 days



Q: What can you buy for a \$100,000?

A: A house.

Which would you rather have?

1 penny
doubled every
day for 40 days



\$1,000,000
each day for 40 days



Q: What can you buy for a \$1,000,000?

A: Apartment building.

1 penny
doubled every
day for 40 days



WINNER
\$5,497,558,139

That's more
than
\$5 Billion!

5	\$0.16	\$5,000,000
6	\$0.32	\$6,000,000
7	\$0.64	\$7,000,000
8	\$1.28	\$8,000,000
9	\$2.56	\$9,000,000
10	\$5.12	\$10,000,000
11	\$10.24	\$11,000,000
12	\$20.48	\$12,000,000
13	\$40.96	\$13,000,000
14	\$81.92	\$14,000,000
15	\$163.84	\$15,000,000
16	\$327.68	\$16,000,000
17	\$655.36	\$17,000,000
18	\$1,310.72	\$18,000,000
19	\$2,621.44	\$19,000,000
20	\$5,242.88	\$20,000,000
21	\$10,485.76	\$21,000,000
22	\$20,971.52	\$22,000,000
23	\$41,943.04	\$23,000,000
24	\$83,886.08	\$24,000,000
25	\$167,772.16	\$25,000,000
26	\$335,544.32	\$26,000,000
27	\$671,088.64	\$27,000,000
28	\$1,342,177.28	\$28,000,000
29	\$2,684,354.56	\$29,000,000
30	\$5,368,709.12	\$30,000,000
31	\$10,737,418.24	\$31,000,000
32	\$21,474,836.48	\$32,000,000
33	\$42,949,672.96	\$33,000,000
34	\$85,899,345.92	\$34,000,000
35	\$171,798,691.84	\$35,000,000
36	\$343,597,383.68	\$36,000,000
37	\$687,194,767.36	\$37,000,000
38	\$1,374,389,534.72	\$38,000,000
39	\$2,748,779,069.44	\$39,000,000
40	\$5,497,558,138.88	\$40,000,000
	WINNER	

\$1,000,000
each day for 40 days



LOSER
\$40,000,000

1 penny
doubled every
day for 40 days



\$137,438,953
each day for 40 days



**You would need \$137,438,953 each
day for 40 days
to equal the compounding effect of a
penny doubled for 40 days.**



**How much would
you have if you put \$1.00
a day in your**

PIGGY BANK

for 66 years?

- | | |
|---------------------|---------------------|
| (a) \$12,686 | (c) \$24,090 |
| (b) \$6,390 | (d) \$3,266 |





One dollar a day for 66 years

	Rate	How much in 66 years?
(c)	0%	\$ 24,090





**How much would you
have if you put \$1.00
a day in your**

Savings Account

**and the bank paid
you 3% a year for 66
years?**





**How much would you have
if you put \$1.00 a day in
your**

Savings Account

**at 3% a year
for 66 years?**



- | | |
|---------------------|----------------------|
| (a) \$12,686 | (c) \$ 54,090 |
| (b) \$75,736 | (d) \$133,266 |



One dollar a day with a 3% return for 66 years

	Rate	How much in 66 years?
	0%	\$ 24,090
(b)	3%	\$ 75,736





**How much would you
have if you put \$1.00 a
day in the**

STOCK MARKET

MUTUAL FUND



**and you got a 10%
return
for 66 years?**



Is it good or bad if the stock market goes down?

It depends on when you are selling

If your not selling it's a great time to buy

Over time the market has produced a positive return





Ten percent increase in value

\$100.00

x 10%

\$ 10.00





**Q: How do you
get a 10%
return?**



**A: Invest in long-term
stocks and mutual
funds**



**Q: What is the
Stock Market?**

**A: A place where
people can buy a
small portion of a
company.**





Q: How do you make Money in the Stock Market?

A: Buy companies that make money:

Nike sells shoes

McDonald's sells hamburgers

Microsoft sells software

Dell sells computers

General Motors sells cars





A company is in business to make money



- ◆ McDonald's sells a hamburger for \$2.50
- ◆ The meat, bun, cheese, lettuce, and sauces cost about \$2.25
- ◆ Therefore, McDonald's makes a profit of \$0.25 per hamburger
- ◆ They sell millions of hamburgers each year



- ◆ **McDonald's is owned by thousands of people**
- ◆ **Each person owns a small part of the company**

Bill	George	Kevin	Steve
Mark	Molly	Barbara	Mary
Tom	Dave	Bob	Grant
	Karen	Gail	Jan



- ◆ **You buy a small part of McDonald's by purchasing a share of stock**
- ◆ **When the company makes a profit, you get a small part of it**



Bill	George	Kevin	Steve
Mark	Molly	Barbara	Mary
Tom	Dave	Bob	Grant
YOU	Karen	Gail	Jan



Q: What is a Mutual Fund?

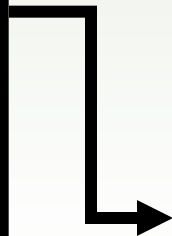


- ♦ A mutual fund is made up from a group of many companies










- ◆ **You buy a small part of many companies by investing in a mutual fund**
- ◆ **When the fund makes a profit, you get a small part of it**



MUTUAL FUND



Bill	George	Kevin	Steve
Mark	Molly	Barbara	Mary
Tom	Dave	Bob	Grant
YOU	Karen	Gail	Jan



Q: What is the S & P 500?

- ◆ S & P stands for Standard and Poors
- ◆ It is a financial publication that tracks the top 500 companies.
- ◆ It works like a mutual fund.
- ◆ When you invest in the S & P 500 you are buying a small portion of all 500 stocks.

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[XL Capital Ltd](#)
[Yum! Brands, Inc.](#)



Q: Why invest in the S & P 500?

- ◆ On average it out performs 50-65% of all mutual funds.
- ◆ Some years it goes up and some years it goes down
- ◆ On average it has produced a 10% return.

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[Yum! Brands, Inc.](#)



Q: What is the Vanguard 500?

- ◆ Vanguard is a company that sells investments.
- ◆ It has created a fund called the Vanguard 500 that is similar to the S & P 500
- ◆ It works like a mutual fund.
- ◆ When you invest in the Vanguard 500 you are buying a small portion of all 500 stocks.

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Q: What is the DOW 30?

- ◆ DOW stands for the DOW Industrial averages.
- ◆ It is a financial publication that tracks the top 30 companies.
- ◆ It works like a mutual fund.
- ◆ When you invest in the DOW 30 you are buying a small portion of 30 stocks.





Q: What is the Schwab 1000?

- ◆ Charles Schwab is a investment brokerage.
- ◆ The Schwab 1000 tracks its top 1,000 stocks.
- ◆ When you invest in the Schwab 1,000 your are buying a small portion of 1,000 different companies.





**How much would you have
if you put \$1.00 a day in the

stock market

at a 10% annual return for
66 years?**

Com	30	Feb	34	
32 1/4	30	Mar	31 1/2	
32 1/4	32 1/2	Feb	60 1/2	
32 1/4	32 1/2	Mar	107	2 1/2
32 1/4	31	Feb	1971	
32 1/4	35	Mar	826	
32 1/4	35	Apr	477	2 1/2
32 1/4	35	Jul	129	3 1/2
32 1/4	37 1/2	Feb	490	
32 1/4	40	Feb	808	
32 1/4	40	Mar	291	
32 1/4	40	Apr	382	
Tidewt	45	Feb	281	1 1/2
TimeW	55	Mar	314	9 1/2
63 3/4	65	Feb	228	1 1/2
63 3/4	65	Mar	246	1 1/2
63 3/4	70	Jun	239	1 1/2
TWA	10	Mar	350	1 1/2
Transcon	35	Mar	5	10
43 1/4	45	Feb	409	1 1/2
43 1/4	50	Aug	1302	4 1/2

S — LONG TERM				
— Call —				
Option/Strike	Exp.	Vol.	Last	
HmeDep 35	Jan 00	315	31 1/2	
Intel 60	Jan 00	296	36 1/2	
86 1/2 70	Jan 99	194	23	
86 1/2 80	Jan 00	193	24 1/2	
86 1/2 80	Jan 99	249	17 1/2	
86 1/2 85	Jan 99	192	14 1/2	
86 1/2 90	Jan 99	1121	12 1/2	

- (a) \$101,360 (c) \$1,564,090
(b) \$275,736 (d) \$2,607,064



One dollar a day with a 10% increase for 66 years

	Rate	How much in 66 years?
	0%	\$ 24,090
	3%	\$ 75,736
(d)	10%	\$ 2,607,064





Setting Up Your Investment Plan



Auto Pilot Investing

Make Money

Separate Your Money

Charity

**Savings and
Investing**

Spend



Deposit the money into either your savings
or checking account
or in your parents' account

MUTUAL FUND



Have your investment account
automatically transfer money from
your savings account.

Invest in a mutual fund or in the
S&P 500



Investment accounts

♦ Low Start-Up Investment

♦ www.usaa.com

- ♦ Start with \$20
- ♦ Must auto-debit monthly

♦ Research the Internet

♦ Larger Start-Up Investment

- ♦ Start with \$1,000
 - ♦ www.charlesschwab.com
 - ♦ www.fidelity.com
 - ♦ www.ingdirect.com

What you need

- ♦ A checking or savings account
- ♦ An investment account
- ♦ If you are under 18, you must have a parent or guardian co sign with you
- ♦ Have money automatically transferred from the saving to the investment account monthly



**How much would
you owe if you
charged \$1.00
a day on your
credit card
at 21% interest for
66 years?**





How much would you owe if
you charged \$1.00 a day on
your

credit card

at 21% interest for 66 years?

- | | |
|-------------------|----------------------|
| (a) \$ 6,866,420 | (c) \$ 156,877,660 |
| (b) \$ 24,286,802 | (d) \$ 1,611,877,660 |





One dollar a day on a credit card at 21% interest for 66 years

	Rate	How much in 66 years?
	0%	\$ 24,090
	3%	\$ 75,736
	10%	\$ 2,607,064
(d)	21%	\$1,611,877,660

THAT'S 1.6 BILLION DOLLARS!





Manage Your Money on 1 Piece of Paper The Money Tracker



The biggest problem with

MONEY MANAGEMENT

is that people run out of

MONEY

before they run out of

MONTH



The Solution to

MONEY MANGEMENT

is to run out of

MONTH

before you run out of

MONEY



The

System

must be so simple you can

Manage it

on

1 Piece of Paper



The

MONEY TRACKER

will help you pace your spending through the

MONTH

After the month is over, you can put your expenses into quickbooks etc.



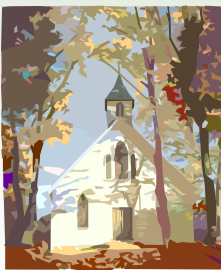
5 Steps for Kids and Teens



1. Make Money



2. Separate Your Money



3. Give to Charity



4. Water your Money Tree



5. Spend the Rest



1. Make Money

<i>Make It</i>	\$	%
Job	2,500	100%
Income 2	0	0%
Income 3	0	0%
Total Take Home Pay	2,500	100%

5 Steps for Adults

2. Sort It

<i>Balancing the Budget</i>	\$	%
Money In	2,500	100%
Money Out	2,500	100%
Balance (savings or debt)	0	0%

3. Give It

<i>Give It</i>	\$	%
Church donations	200	8%
Charity	25	1%
Total Contributions	225	9%

4. Invest It

<i>Invest It</i>	\$	%
Savings 1	50	2%
Investment Account	100	4%
	0	0%
Total Savings & Investing	150	6%

5. Spend It

<i>Spend It</i>	\$	%
Fixed Expenses		
Rent	400	16%
Car Payment	300	12%
Insurance	50	2%
Student Loan	175	7%
Credit card	200	8%
	0	0%
	0	0%
	0	0%
Total Fixed Expenses		

<i>Variable Spending</i>	\$	%
Food	200	20%
School Expenses	100	10%
Clothes	200	20%
Gas and Car Maintenance	200	20%
Eating Out	200	20%
Entertainment	100	10%
Total Variable Expenses	\$1,000	100%



Month **April 2009**

Money Made Easy Spending Tracker

<i>Make It</i>	\$	%
Job	2,500	100%
Income 2	0	0%
Income 3	0	0%
Total Take Home Pay	2,500	100%

<i>Give It</i>	\$	%
Church donations	200	8%
Charity	25	1%
Total Contributions	225	9%

<i>Invest It</i>	\$	%
Savings 1	50	2%
Investment Account	100	4%
	0	0%
Total Savings & Investing	150	6%

<i>Spend It</i>	\$	%
<i>Fixed Expenses</i>		
Rent	400	16%
Car Payment	300	12%
Insurance	50	2%
Student Loan	175	7%
Credit card	200	8%
	0	0%
	0	0%
	0	0%
Total Fixed Expenses	\$1,125	45%

<i>Variable Spending</i>	\$	%
Food	200	20%
School Expenses	100	10%
Clothes	200	20%
Gas and Car Maintenance	200	20%
Eating Out	200	20%
Entertainment	100	10%
Total Variable Expenses	\$1,000	100%

<i>Balancing the Budget</i>	\$	%
Money In	2,500	100%
Money Out	2,500	100%
Balance (savings or debt)	0	0%



www.moneymadeeasy.com

Variable Spending Categories

Day	Food 200	School Expenses 100	Clothes 200	Gas and Car Maintenance 200	Eating Out 200	Entertainment 100
1	194	97	194	194	194	97
2	189	94	189	189	189	94
3	183	91	183	183	183	91
4	177	89	177	177	177	89
5	171	86	171	171	171	86
6	166	83	166	166	166	83
7	160	80	160	160	160	80
8	154	77	154	154	154	77
9	149	74	149	149	149	74
10	143	71	143	143	143	71
11	137	69	137	137	137	69
12	131	66	131	131	131	66
13	126	63	126	126	126	63
14	120	60	120	120	120	60
15	114	57	114	114	114	57
16	109	54	109	109	109	54
17	103	51	103	103	103	51
18	97	49	97	97	97	49
19	91	46	91	91	91	46
20	86	43	86	86	86	43
21	80	40	80	80	80	40
22	74	37	74	74	74	37
23	69	34	69	69	69	34
24	63	31	63	63	63	31
25	57	29	57	57	57	29
26	51	26	51	51	51	26
27	46	23	46	46	46	23
28	40	20	40	40	40	20
29	34	17	34	34	34	17
30	29	14	29	29	29	14
31	23	11	23	23	23	11
	17	9	17	17	17	9
	11	6	11	11	11	6
	6	3	6	6	6	3
	0	0	0	0	0	0
Over						



Stage One

Step 1. Fill out the money tracker
You can change names of the items
and the amount spent

Step 2. Adjust your budget so your
money OUT is equal
to your money IN

If you have extra
start paying off debt
or

Add it to your investment account

<i>Make It</i>	\$	%
Job	2,500	100%
Income 2	0	0%
Income 3	0	0%
Total Take Home Pay	2,500	100%

<i>Give It</i>	\$	%
Church donations	200	8%
Charity	25	1%
Total Contributions	225	9%

<i>Invest It</i>	\$	%
Savings 1	50	2%
Investment Account	100	4%
	0	0%
Total Savings & Investing	150	6%

<i>Spend It</i>	\$	%
Fixed Expenses		
Rent	400	16%
Car Payment	300	12%
Insurance	50	2%
Student Loan	175	7%
Credit card	200	8%
	0	0%
	0	0%
	0	0%
Total Fixed Expenses	\$1,125	45%

<i>Variable Spending</i>	\$	%
Food	200	20%
School Expenses	100	10%
Clothes	200	20%
Gas and Car Maintenance	200	20%
Eating Out	200	20%
Entertainment	100	10%
Total Variable Expenses	\$1,000	100%

<i>Balancing the Budget</i>	\$	%
Money In	2,500	100%
Money Out	2,500	100%
Balance (savings or debt)	0	0%



Variable Spending

Make It		
	\$	%
Job	2,500	100%
Income 2	0	0%
Income 3	0	0%
Total Take Home Pay	2,500	100%

Give It		
	\$	%
Church donations	200	8%
Charity	25	1%
Total Contributions	225	9%

Invest It		
	\$	%
Savings 1	50	2%
Investment Account	100	4%
	0	0%
Total Savings & Investing	150	6%

Spend It		
Fixed Expenses		
	\$	%
Rent	400	16%
Car Payment	300	12%
Insurance	50	2%
Student Loan	175	7%
Credit card	200	8%
	0	0%
	0	0%
	0	0%
Total Fixed Expenses	1,125	45%

Variable Spending		
	\$	%
Food	200	20%
School Expenses	100	10%
Clothes	200	20%
Gas and Car Maintenance	200	20%
Eating Out	200	20%
Entertainment	100	10%
Total Variable Expenses	\$1,000	100%

Balancing the Budget		
	\$	%
Money In	2,500	100%
Money Out	2,500	100%
Balance (savings or debt)	0	0%

Step 3. Variable Expenses
Automaticially fill in

Variable Spending	%	20%
	\$	200
		10%
	\$	100
		20%
	\$	200
		20%
	\$	200
	%	20%
	\$	200
		10%
	\$	100
		100%
	\$	\$1,000
Total Variable Expenses		

Variable Spending Categories

Day	Food 200	School Expenses 100	Clothes 200	Gas and Car Maintenance 200	Eating Out 200	Entertainment 100
1	194	97	194	194	194	97
2	189	94	189	189	189	94
3	183	91	183	183	183	91
4	177	89	177	177	177	89
5	171	86	171	171	171	86
6	166	83	166	166	166	83
7	160	80	160	160	160	80
8	154	77	154	154	154	77
9	149	74	149	149	149	74
10	143	71	143	143	143	71
11	137	69	137	137	137	69



Variable Spending

Starting Budget \$200

As you spend money,
the amount of money
you have left goes down

For Example
you spend \$40 on food

$$\$200 - \$40 = \$160$$

Later you spend another \$40 on food

$$\$160 - \$40 = \$120$$

Later you spend \$50 on food

$$\$120 - \$50 = \$70$$

Day	Variable Spending Categories					
	Food	School Expenses	Clothes	Gas and Car Maintenance	Eating Out	Entertainment
	200	100	200	200	200	100
1	194	97	194	194	194	97
2	189	94	189	189	189	94
3	183	91	183	183	183	91
4	177	89	177	177	177	89
5	171	86	171	171	171	86
6	166	83	166	166	166	83
7	\$160	80	160	160	160	80
8	154	77	154	154	154	77
9	149	74	149	149	149	74
10	143	71	143	143	143	71
11	137	69	137	137	137	69
12	131	66	131	131	131	66
13	126	63	126	126	126	63
14	\$120	60	120	120	120	60
15	114	57	114	114	114	57
16	109	54	109	109	109	54
17	103	51	103	103	103	51
18	97	49	97	97	97	49
19	91	46	91	91	91	46
20	86	43	86	86	86	43
21	80	40	80	80	80	40
22	74	37	74	74	74	37
23	\$70	34	69	69	69	34
24	63	31	63	63	63	31
25	57	29	57	57	57	29
26	51	26	51	51	51	26
27	46	23	46	46	46	23
28	40	20	40	40	40	20
29	34	17	34	34	34	17
30	29	14	29	29	29	14
31	23	11	23	23	23	11
	17	9	17	17	17	9
	11	6	11	11	11	6
	6	3	6	6	6	3
	0	0	0	0	0	0
Over						



Variable Spending

Starting Budget \$100

As you spend money,
the amount of money
you have left goes down

For Example
you spend \$10

$$\$100 - \$10 = \$90$$

Later you spend \$10

$$\$90 - \$10 = \$80$$

You spend an additinal \$10

$$\$120 - \$50 = \$70$$

Day	Variable Spending Categories					
	Food 200	School Expenses 100	Clothes 200	Gas and Car Maintenance 200	Eating Out 200	Entertainment 100
1	194	97	194	194	194	97
2	189	94	189	189	189	94
3	183	\$90 ⁹¹	183	183	183	91
4	177	89	177	177	177	89
5	171	86	171	171	171	86
6	166	83	166	166	166	83
7	160	\$80 ⁸⁰	160	160	160	80
8	154	77	154	154	154	77
9	149	74	149	149	149	74
10	143	71	143	143	143	71
11	137	\$70 ⁶⁹	137	137	137	69
12	131	66	131	131	131	66
13	126	63	126	126	126	63
14	120	60	120	120	120	60
15	114	57	114	114	114	57
16	109	54	109	109	109	54
17	103	51	103	103	103	51
18	97	49	97	97	97	49
19	91	46	91	91	91	46
20	86	43	86	86	86	43
21	80	40	80	80	80	40
22	74	37	74	74	74	37
23	69	34	69	69	69	34
24	63	31	63	63	63	31
25	57	29	57	57	57	29
26	51	26	51	51	51	26
27	46	23	46	46	46	23
28	40	20	40	40	40	20
29	34	17	34	34	34	17
30	29	14	29	29	29	14
31	23	11	23	23	23	11
	17	9	17	17	17	9
	11	6	11	11	11	6
	6	3	6	6	6	3
	0	0	0	0	0	0
Over						



Variable Spending

If It's the 18th of the month,
Your food budget is in trouble
It is running out of money before
it runs out of month

Your School budget is OK
It's running out of month before
it runs out of money

To help pace your spending,
you'll run out of month
before you run out of money

Day	Variable Spending Categories					
	Food 200	School Expenses 100	Clothes 200	Gas and Car Maintenance 200	Eating Out 200	Entertainment 100
1	194	97	194	194	194	97
2	189	94	189	189	189	94
3	183	\$90	183	183	183	91
4	177	89	177	177	177	89
5	171	86	171	171	171	86
6	166	83	166	166	166	83
7	\$160	\$80	160	160	160	80
8	154	77	154	154	154	77
9	149	74	149	149	149	74
10	143	71	143	143	143	71
11	137	\$70	137	137	137	69
12	131	66	131	131	131	66
13	126	63	126	126	126	63
14	\$120	60	120	120	120	60
15	114	57	114	114	114	57
16	109	54	109	109	109	54
17	103	51	103	103	103	51
18	97	49	97	97	97	49
19	91	46	91	91	91	46
20	86	43	86	86	86	43
21	80	40	80	80	80	40
22	74	37	74	74	74	37
23	\$70	34	69	69	69	34
24	63	31	63	63	63	31
25	57	29	57	57	57	29
26	51	26	51	51	51	26
27	46	23	46	46	46	23
28	40	20	40	40	40	20
29	34	17	34	34	34	17
30	29	14	29	29	29	14
31	23	11	23	23	23	11
	17	9	17	17	17	9
	11	6	11	11	11	6
	6	3	6	6	6	3
	0	0	0	0	0	0
Over						



Stage Two

Step 4. Figure out how to
Make more money,
Increase your salary or
create a small business

Step 5. Decrease your taxes
and other expenses with
your small business

Step 6. Increase your payments
and pay off credit card
and other debt

Step 7. Increase your contribution to
your 401k or Investment accounts

<i>Make It</i>	\$	%
Job	2,500	91%
Small Business Income	250	9%
	0	0%
Total Take Home Pay	2,750	100%

<i>Give It</i>	\$	%
Church donations	200	7%
Charity	25	1%
Total Contributions	225	8%

<i>Invest It</i>	\$	%
Savings Account	50	2%
Investment Account	250	9%
	0	0%
Total Savings & Investing	300	11%

<i>Spend It</i>	\$	%
Fixed Expenses		
Rent	400	15%
Car Payment	300	11%
Insurance	50	2%
Student Loan	175	6%
Credit card	300	11%
	0	0%
	0	0%
	0	0%
Total Fixed Expenses	\$1,225	45%

<i>Variable Spending</i>	\$	%
Food	200	20%
School Expenses	100	10%
Clothes	200	20%
Gas and Car Maintenance	200	20%
Eating Out	200	20%
Entertainment	100	10%
Total Variable Expenses	\$1,000	100%

<i>Balancing the Budget</i>	\$	%
Money In	2,750	100%
Money Out	2,750	100%
Balance (savings or debt)	0	0%

The image features a background of several US dollar bills, including a prominent \$100 bill, which are slightly out of focus. A bright, glowing sun or light source is positioned behind the bills, creating a lens flare effect. The entire scene is framed by a thick green border. Overlaid on this background is the text "Investment Account Options" in a large, bold, green, sans-serif font. The text is arranged in two lines, with "Investment" on the top line and "Account Options" on the bottom line. The text has a slight shadow or drop effect, making it stand out from the background.

Investment Account Options



Investment Account Options

	Monthly	Company contribution	Tax deduction this year	# of years	% increase in value	Value	Taxes at Retirement (30%)	Net at Retirement
Investment Account								

Which program is best for you?



Investment Account Options

	Monthly	Company contribution	Tax deduction this year	# of years	% increase in value	Value	Taxes at Retirement (30%)	Net at Retirement
Investment Account	\$250	\$0	No	40	10%	\$120,000 Monthly contribution \$1,340,555 appreciation	(\$402,164)	\$938,389

Which program is best for you?



Do You Need a Tax Deduction?

- Would you like to get a tax deduction this year?
- Open an Individual Retirement Account
- When you contribute to your IRA, you get a tax deduction, and pay less taxes





Strategy: Set up an IRA

Individual Retirement Account (IRA)



TAX RETURN



Strategy: Set up an IRA

Individual Retirement Account (IRA)



TAX RETURN

Before IRA

Salary	\$100,000
Reported to IRS	\$100,000

After IRA

Salary	\$100,000
(-) IRA Contribution	\$ 3,000
(=) Reported to IRS	\$ 97,000



Strategy: Set up an IRA

Individual Retirement Account (IRA)

Before IRA

Salary	\$100,000
Reported to IRS	\$100,000

After IRA

Salary	\$100,000
(-) IRA Contribution	\$ 3,000
(=) Reported to IRS	\$ 97,000

Benefit

You can deduct the amount you contribute to your IRA from your taxes **this year**

Challenge

When you retire, you pay taxes as you withdraw the money



TAX RETURN



Investment Account Options

	Monthly	Company contribution	Tax deduction this year	# of years	% increase in value	Value	Taxes at Retirement (30%)	Net at Retirement
Investment Account	\$250	\$0	No	40	10%	\$120,000 Monthly contribution \$1,340,555 appreciation	(\$402,164)	\$938,389
IRA	\$250	\$0	Yes	40	10%	\$1,460,555	(\$438,167)	\$1,022,389
Roth IRA								
401K								

Which program is best for you?

Would you rather pay taxes on the Seed (Investment Account, Roth IRA) or on the Harvest (IRA, 401K)?



Prefer to Retire Tax Free?

- Would you rather pay taxes on the seed or the harvest?
- Would you rather pay taxes today and let your fruit grow tax free?
- When you retire you can spend it all TAX FREE





Strategy: Set up a Roth IRA

Roth Individual Retirement Account (Roth IRA)



TAX RETURN

**IRA
or
Roth
IRA?**

Would you rather pay the taxes
on the seed or the harvest?
To open an account, go to



Strategy: Set up a Roth IRA

Roth Individual Retirement Account (Roth IRA)



TAX RETURN

Roth IRA	
Salary	\$100,000
Reported to IRS	\$100,000

**IRA
or
Roth
IRA?**

Would you rather pay the taxes
on the seed or the harvest?
To open an account, go to



Strategy: Set up a Roth IRA

Roth Individual Retirement Account (Roth IRA)



TAX RETURN

**IRA
or
Roth
IRA?**

Would you rather pay the taxes on the seed or the harvest?

Roth IRA

Salary	\$100,000
Reported to IRS	\$100,000

Benefit

When you are retired and withdraw your money, you pay no taxes on these funds

Challenge

Before you retire, there are no annual tax deductions



Investment Account Options

	Monthly	Company contribution	Tax deduction this year	# of years	% increase in value	Value	Taxes at Retirement (30%)	Net at Retirement
Investment Account	\$250	\$0	No	40	10%	\$120,000 Monthly contribution \$1,340,555 appreciation	(\$402,164)	\$938,389
IRA	\$250	\$0	Yes	40	10%	\$1,460,555	(\$438,167)	\$1,022,389
Roth IRA	\$250	\$0	No	40	10%	\$1,460,555	(\$0)	\$1,460,555
401K								

Which program is best for you?

Would you rather pay taxes on the Seed (Investment Account, Roth IRA) or on the Harvest (IRA, 401K)?



Prefer a 100% Return?

- Does your employer have a 401K program?
- Some employers match 3% when you contribute 3% of your salary toward your retirement
- For every dollar your employer matches, it's like getting a 100% return on your money!





Strategy: Contribute to your Company's 401k Retirement Account

401k Retirement Account

Before 401k

Salary	\$100,000
Reported to IRS	\$100,000



PAYCHECK



Strategy: Contribute to your Company's 401k Retirement Account

401k Retirement Account

Before 401k

Salary	\$100,000
Reported to IRS	\$100,000



PAYCHECK

After 401k

Salary	\$100,000
(-) 401k Contribution	\$ 3,000
(=) Reported to IRS	\$ 97,000
Company match	\$ 3,000
Total contribution	\$ 6,000



Strategy: Contribute to your Company's 401k Retirement Account

401k Retirement Account

Before 401k

Salary	\$100,000
Reported to IRS	\$100,000

After 401k

Salary	\$100,000
(-) 401k Contribution	\$ 3,000
(=) Reported to IRS	\$ 97,000
Company match	\$ 3,000
Total contribution	\$ 6,000

Benefit

You can deduct the amount you contribute to your 401K from your taxes this year

Benefit

Your company matched your contribution for a grand total of \$6,000

Challenge

When you retire, you pay taxes as you withdraw the money



PAYCHECK



Need money to invest?

- Do you need money to invest in your 401K?
- Are you getting a tax refund?
- If so, change your payroll withholding on your W4
- This will decrease the amount withheld from your paycheck
- Take that amount and invest it





Money Made Easy for Young Adults