

Money After Highschool



What is Financial Wellness?



What We'll Cover

Spending
Money

Borrowing
Money

Paying it
Back

Spending Your Money



Cashflow

What is
coming in?

Income

How can this increase?

What is
coming
out?

Expenses

How can this decrease?

How do you know?

- Notebook
- Digital Spreadsheet
- Check Register
- Note on Your Phone
- Apps
 - You Need a Budget (YNAB)
 - Mint
 - Qube
 - Budget with Buckets
 - Goodbudget
 - Toshl
 - Simplifi
 - Everydollar
 - PocketGuard
 - Wally

Predictable Monthly Expenses

Rent	900
Internet	89.99
Cell Phone	114
Student Loan	240
Credit Card	65
Car Payment	338
Car Insurance	223
Hulu	14.99
Amazon Prime	14.99
Spotify	9.99
Gym	59.95

Unpredictable Monthly Expenses

Electric	88 average
Natural Gas	75-145
Groceries	90 weekly
Restaurants	40 weekly
Coffee Shops	35 weekly
Gas for car	20 weekly
Laundry	25 bi-weekly
Entertainment	26 weekly

Current Spending

Predictable Non-Monthly Expenses

Renter's Insurance	180 a year
Contacts	360 a year
Massage	150 twice a year
Travel	1,500 annually
Concerts	125 monthly (only in summer)
Haircut	80 every 3 months
Personal Hygiene	60 twice a year

Unpredictable Non- Monthly Expenses

Copays	725 last year
Car Repairs	2,000 last year
Household items	800 last year
Clothing	900 last year
Gifts	1,100 last year

Monthly Expenses

Rent	900	Gas for car	87
Internet	90	Laundry	54
Cell Phone	114	Entertainment	26
Student Loan	240	Renter's Insurance	15
Credit Card	65	Contacts	30
Car Payment	338	Massage	25
Car Insurance	223	Travel	125
Hulu	15	Concerts	63
Amazon Prime	15	Haircut	27
Spotify	10	Hygiene	10
Gym	60	Copays	60
Electric	88	Car Repairs	167
Natural Gas	110	Household items	67
Groceries	390	Clothing	75
Restaurants	173	Gifts	92
Coffee Shops	152	Total:	\$3,906

- What surprised you?
- What five things would you pay first?
- What would you cut out?
- What would you cut down?
- What would you increase?
- What would you add?
- What change will be easiest?
- What can you change first?

Would you rather?

- Live in a city and bike or...
- Go out for lunch or...
- Get a new phone or...
- Dunkin every morning or...
- Work two jobs or...
- Have gym membership or...
- Live in the suburbs and drive?
- See a movie in the theatre?
- Go to a music festival?
- A new video game?
- Have no pets?
- Order delivery? (how often?)

Savings

- Continuing Education
- Housing
- Car
- Pets
- Vacation
- Retirement
- New Technology
- Convenience
- Paying off Debt
- Entertainment
- Supporting Family
- Furniture
- Art
- Hobbies
- Emergency Fund
 - 3-6 months of expenses

Unexpected Emergencies



Car Accident



Loss of income



Illness



Natural Disaster



Vet

Over Draft vs. Non-Sufficient Funds

- Over Draft the purchase goes through
 - You essentially borrow the money
- Non-Sufficient Fund does not go through
 - You will not be charged for the purchase

Both have a fee!

Modify

How can you
change your
spending?

Plan Ahead

Shop Around

Create distance

Financial Future



Where do you want
to be in 5 years? 10
years? 20 years?



What will it cost to
get there?

Can you get more out of your savings?

Tax-Advantaged Accounts

- Vermont 529
 - Savings for education
- Retirement
- Health Savings Account

Interesting Earning Accounts

- High Interest Savings
- CD
- Investments
 - Bonds
 - Stocks

Borrowing Money

Who cares about credit?



Credit Cards



Car Loan



Buying a Home



Landlords



Employers

Credit Score

F : 300-579: Poor

D : 580-669: Fair

C : 670-739: Good

B : 740-799: Very good

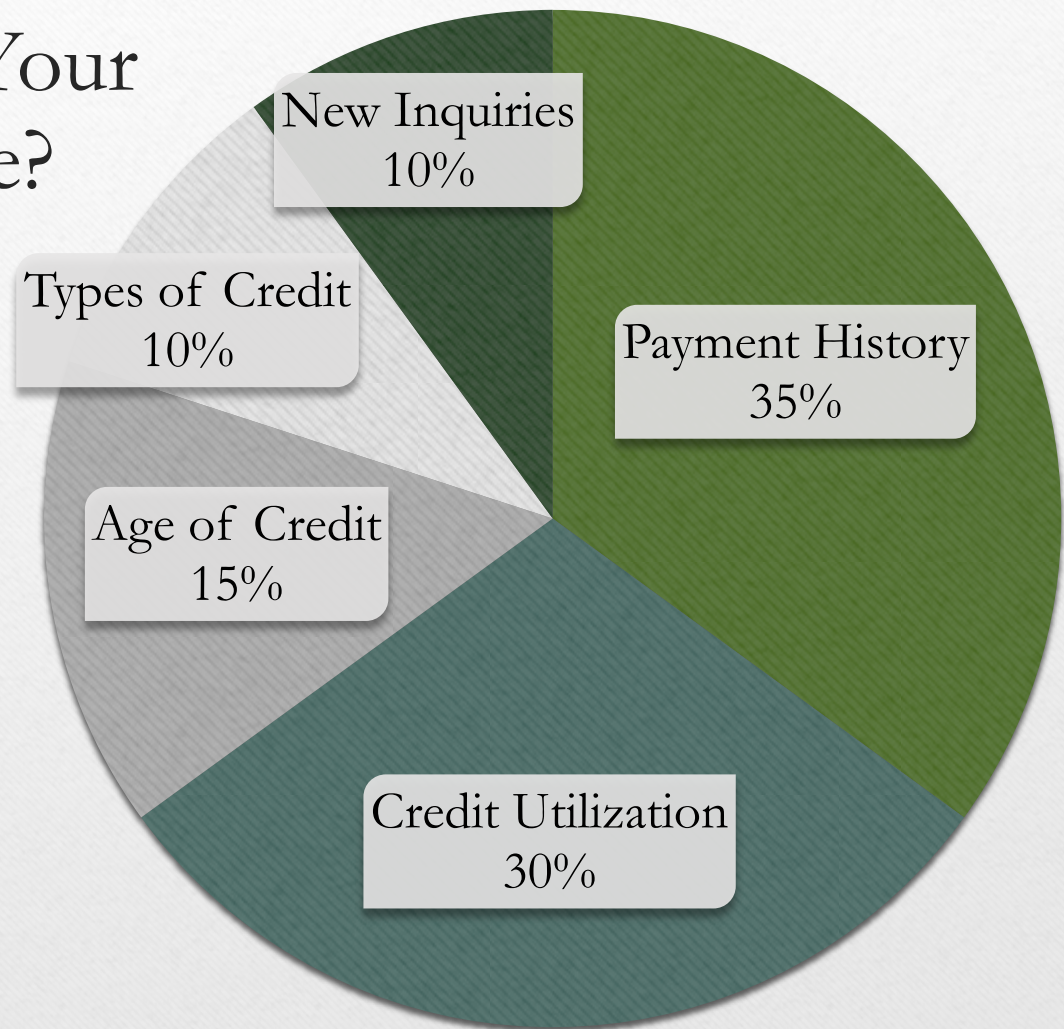
A : 800-850: Excellent

Checking Your Credit

- AnnualCreditReport.com
 - Guaranteed by the government
- Some Lenders & Financial Institutions
- Credit Monitoring Apps

Makes money by recommending products to consumers

What Makes Your Credit Score?



How To Improve Your Credit

- Make on time payments
- Keep your credit card balance low
- Credit Building Products?
 - Secure Credit Card
 - Tracker Loans
- Only apply for loans you need
- Be Patient

Questions

- Do I need to “keep a balance” on my credit card?
- Will checking my credit will hurt my credit score?
- Does the amount of savings I have does impact my credit score?
- I’ve never taken out a loan, do I have good credit?

Loans

How do I get
the best loan?

Higher
Credit
Score

Lower
APR

Bigger
Down
Payment

Shorter
Term



Thinking Long Term

Total Financed: \$20,000

Term	36	84
Interest	6.99%	8.99%
Monthly Payments	\$617	\$322
Total Principal	\$20,000	\$20,000
Total Interest	\$2,228	\$7,022
Total	\$22,228	\$27,021

Thinking Long Term

Total Financed: \$20,000

Term	36	84
Interest	11.49%	12.99%
Monthly Payments	\$659	\$364
Total Principal	\$20,000	\$20,000
Total Interest	\$3,739	\$10,553
Total	\$23,739	\$30,553

Thinking Long Term

Total Financed: \$20,000

Term	36	84	36	84
Interest	6.99%	8.99%	11.49%	12.99%
Monthly Payments	\$617	\$321.68	\$659	\$364
Total Principal	\$20,000	\$20,000	\$20,000	\$20,000
Total Interest	\$2,228	\$7,021	\$3,739	\$10,553
Total	\$22,228	\$27,021	\$23,739	\$30,553

Vocabulary

- Down Payment: usually for auto or home loans, this the money you pay upfront towards what you are purchasing
- Principal: the original amount of money you borrow
- Interest: money you pay while you have a loan (expressed as a percentage)
- Annual Percentage Rate (APR): overall coast of the loan on an annual basis
- Term: the length of the loan
- Secure: lender has collateral
- Equity: the amount of an asset you own

What's different about Student Loans?

Federal Student Loans

- 6 Month grace period after graduation
- Low interest rates
- Variety of repayment plans, including income driven ones
- Options for Loan Forgiveness
- Borrowing limit

Private Student Loans

- Likely requires a cosigner
- Interest depends on credit
- Terms and repayment vary
- Limited options for loan modifications

Subsidized vs. Unsubsidized Loans

Subsidized

- You're not responsible for the interest while you're in school
- Amount is need-based
- Borrowing limit is lower
- Only available for undergraduate

Unsubsidized

- You must pay all the interest
- Amount is not need-based
- Available to undergrad and graduate students

The background of the slide is a blurred image of a financial document. It features a line graph with a blue line showing an upward trend. A silver pen is positioned in the upper right corner, pointing towards the graph. The overall color scheme is a muted blue-grey.

Debt Management

Repayment Strategies

Highest Interest

Biggest Loan

Smallest Loan

Paying the Minimum

Balance	APR	Payment	Interest Paid	Total Paid	Pay Off Time
\$500	18%	\$20	\$122.48	\$622.48	30 Months
\$1,000	18%	\$30	\$331.17	\$1,331.17	39 Months
\$2,000	18%	\$60	\$662.33	\$2,662.33	39 Months

- The average credit card minimum is 3% of the balance.
- APR increases if you are late, miss a payment, or go over your credit limit.

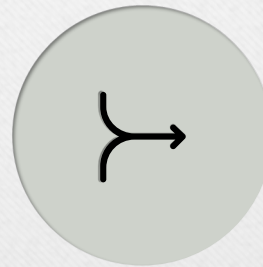
Trouble Paying Back Loans?



Contact Your
Servicer



Refinance
Secure Loans



Consolidate

Consequences of Missed Payments

- Late Fee
- Delinquency
- Charge-off
- Collections
- Repossession
- Eviction
- Foreclosure
- Legal Action
- Bankruptcy





What did you learn?
