

# Smart Money Skills



## Workshop Workbook:

*A Financial Planning Tool*

*“Focus on all four of your net worth factors: increasing your income, increasing your savings, increasing your investment returns, and decreasing your cost of living by simplifying your lifestyle.”*

– T Harv Eker

Presented by: the Advising office at the College of Lake County

# PART II: Setting Goals and Creating a Financial Roadmap

#1. In 10 years (2030), I want to have a net worth of:

#2. Assets vs. Liabilities

<b>ASSETS</b>
Cash (& Checking Account): \$
Investments: \$
Art & Collectibles: \$
Precious Metals/ Jewelry: \$
Real Estate: \$
Automobile(s): \$
Intellectual Property: \$
Savings Account(s): \$
Other: \$
Total Attained: \$

**Net Worth = Assets- Liabilities**

(Total Amount Owed)

<b>LIABILITIES</b>
Vehicle Loans \$
Rent or Mortgage \$
Student Loan(s) \$
Credit Card Bills: \$
Cell Phone: \$
Other: \$
Other: \$
Total Owed: \$

Current Net Worth (2020):

# Income

Financial Aid	\$
After Tax Wages	\$
Gifts/ Allowance from Family	\$
Savings Withdrawals	\$
Public Assistance	\$
Child Support	\$
Other Income:	\$
Other Income:	\$

Total Income (per month):

\$
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What are you left with at the end of each month?

Use Formula:  $\text{Income} - \text{Expenses} = \text{What's left over at the end of the month.}$

\$
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## Budgeting Resources

Apps for your phone:

- Mint (Free)
- Pocket Guard (Free)
- Clarity (Free)

To learn more about these apps (and others), go to:

<https://www.nerdwallet.com/blog/finance/budgeting-saving-tools/>

# Resources to Use after Completing This Workshop:

## Books:

1. *The Everything Personal Finance in Your 20s and 30s Book*, Third Edition: Eliminate your Debt, Manage your Money, and Build for an Exciting Financial Future (Everything Series), by: Debby Fowles
2. *Rich Dad, Poor Dad* (series), by: Robert Kiyosaki
3. *Richest Man in Babylon*, By George Samuel Clason
4. *The Millionaire Next Door*, By Thomas J. Stanley
5. *The Intelligent Investor*, By Benjamin Graham

## Internet Resources:

- **Financial Planning/ Budgeting**

1. Financial Planning at About.com: <http://financialplan.about.com>
2. Frugal Living at About.com: [www.frugalliving.about.com](http://www.frugalliving.about.com)

- **Credit and Debt**

3. National Foundation for Credit Counseling: <https://www.nfcc.org/>

- **Credit Reporting**

4. Equifax: <https://www.equifax.com/personal/>
5. TransUnion: <https://www.transunion.com/>
6. FICO: <https://www.myfico.com/>
7. Credit Karma: <https://www.creditkarma.com>

- **Investing**

8. MorningStar: <https://www.morningstar.com/>
9. Bloomberg Business Week: <https://www.bloomberg.com/businessweek>
10. The Wall Street Journal: <https://www.wsj.com/>
11. Investor's Business Daily: <https://www.investors.com/>

- **Retirement**

1. Retirement USA Gov: <https://www.usa.gov/retirement>
2. Bankrate: <https://www.bankrate.com/retirement/>

#1. APR:

- a) Is the Annual Percentage rate on a loan.
- b) Includes fees that are paid up front.
- c) Expresses the interest rate on a loan.
- d) All of the above.

#2. Assets are:

- a) Loans in exchange for interest payments.
- b) A list of expenses.
- c) Anything you own that is of monetary value.
- d) A method of accruing interest.

#3. Budgeting includes:

- a) Fixed interest rates.
- b) Tracking spending versus saving to accomplish long and short term goals.
- c) A categorized list of income and expenses.
- d) Both b and c.

#4. Bankruptcy is:

- a) A court process in which you acknowledge you are unable to pay back debts.
- b) A legal process that terminates an owner's right to a property.
- c) A legal document.
- d) None of the Above.

#5. Loan Consolidation is:

- a) May lengthen your repayment period
- b) A sales charge or a commission paid to a creditor.
- c) Locks in a fixed interest rate.
- d) Both a and c.

#6. Liabilities include:

- a) Anything you own that is of monetary value. The value of all of a person's assets.
- b) Cash, stocks, bonds, mutual funds, and other items.
- c) Car payments, student loans, and credit card debt.

#7. 401K is:

- a) A legal document that specifies how much tax is owed.
- b) Part of a will.
- c) A retirement plan that allows investors to invest pretax dollars.
- d) Life Insurance.

#8. Deferment and forbearance:

- a) Both pause your payment.
- b) Both pause your interest rate.
- c) Vary by loan type
- d) Both a and b.

#9. A variable Expense:

- a) Changes monthly.
- b) Can be a want or a need.
- c) Both a and b
- d) None of the above.

d) All of the above.

#10. A Fixed Expense:

- a) Is an exact amount due on a specific date.
- b) Includes expenses like gas and transportation.
- c) Includes expenses like Books and Food.
- d) Both a and b.

#13. A person's Net worth is determined by:

- a) The amount of cash they have in the bank.
- b) The sum of all of their liabilities.
- c) The sum of all of their assets.
- d) The difference of all things of value owned and all debts owed.

Total Loss: \$ \_\_\_\_\_

#11. Checking Accounts are:

- a) For investing money.
- b) For holding every day spending money.
- c) For paying higher interest rates than saving accounts.
- d) Hard to withdrawal cash from.

#12. Your credit score will show lenders:

- a) How likely you are to make payments on time.
- b) Your payment history.
- c) How long you've used credit, how much you used, and how responsibly you used it.