

# Your Relationship with Money



Presented By



# Objectives

This seminar will help you understand:

- Your relationship with money
- Roadblocks to financial success
- Financial success and setting financial goals
- Improving your relationship with money/your financial awareness.



# How Do You Feel about Money?

Never enough

Prefer not to think about it

Love it

Painful



What does  
money mean to  
you?



# Your Personality & Money

## The 4 p's:

**Protector** - minimize risk; does not adjust well to unanticipated change.

**Planner** - will take risk but needs a contingency plan; big picture thinker; split your money ---- long-term/mad money

**Pleaser** - takes money personally; goal to please others/please themselves; watch out --- being taken advantage of and overspending on yourself



# Your Personality & Money

Player - loves reacting in the moment; unlikely to think in the long-term; be careful of making impulsive and optimistic about financial decisions

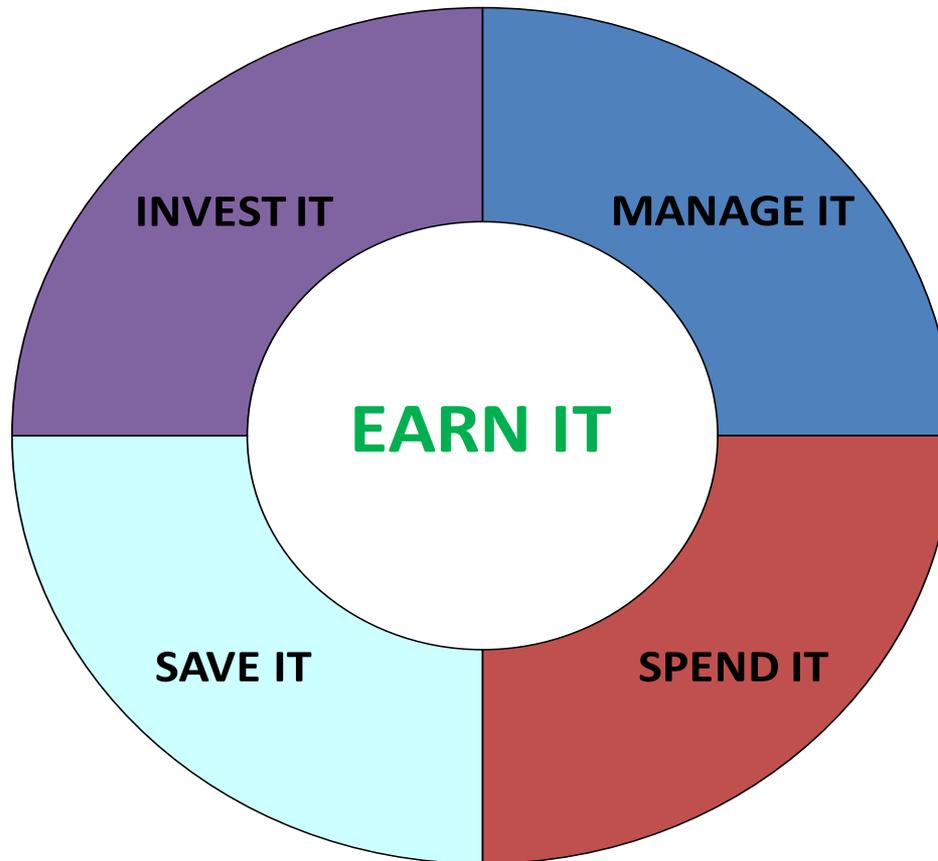
WHICH ONE ARE YOU?

*Personality Survey*



# Your Relationship with Money

5 Parts:



B  
A  
L  
A  
N  
C  
E  
D

# ROADBLOCKS

- No financial goals and/or failure to maintain goals
- Incorrect financial strategies
- Procrastination
- Unmanageable levels of debt
- Willpower or lack thereof (stress, hunger, lack of sleep)



# EARN IT

- Review your paycheck
- Check your IRS deductions
- Retirement contributions
- Look at miscellaneous deductions



# Common deductions: gross pay of \$560

<b>Deduction</b>	<b>Amount Deducted</b>
15% of gross pay for Federal Income Tax	\$84.00
4% of gross pay for State Income Tax	\$22.40
1% of gross pay for Local Income Tax	\$5.60
4.2% of gross pay for Social Security Tax	\$23.52
1.45% of gross pay for Medicare Tax	\$8.12
<b>Total Deductions</b>	<b>\$143.64</b>

[Paycheck City](#)

[Withholdings  
checkup](#)



**Take home:  
\$416.36**



# MANAGE IT!

- Prioritize – don't procrastinate
- Pay attention to it/make time for it
- Set goals/budget/track your spending – but make sure they fit your style
- Wants vs. Need (Starbucks vs. Home)
- Reward yourself/celebrate the good



# Setting financial goals

- Short-term goal = (1-2 years)
- Long-term goal = (5-10 years or more)
  - ✓ **owning a home**
  - ✓ **starting a family**
  - ✓ **paying for college**
  - ✓ **retiring**

# SAVE IT

- Pay yourself first
- Consider automatic transfers to a savings account/holiday club/vacation club
- Insurance checkup
- Watch out for unnecessary fees – minimum balance, late payment fees



# SAVE IT

## 52 Week Money Challenge

WEEK	DEPOSIT AMOUNT	ACCOUNT BALANCE	WEEK	DEPOSIT AMOUNT	ACCOUNT BALANCE
1	\$1.00	\$1.00	27	\$27.00	\$378.00
2	\$2.00	\$3.00	28	\$28.00	\$406.00
3	\$3.00	\$6.00	29	\$29.00	\$435.00
4	\$4.00	\$10.00	30	\$30.00	\$465.00
5	\$5.00	\$15.00	31	\$31.00	\$496.00
6	\$6.00	\$21.00	32	\$32.00	\$528.00
7	\$7.00	\$28.00	33	\$33.00	\$561.00
8	\$8.00	\$36.00	34	\$34.00	\$595.00
9	\$9.00	\$45.00	35	\$35.00	\$630.00
10	\$10.00	\$55.00	36	\$36.00	\$666.00
11	\$11.00	\$66.00	37	\$37.00	\$703.00
12	\$12.00	\$78.00	38	\$38.00	\$741.00
13	\$13.00	\$91.00	39	\$39.00	\$780.00
14	\$14.00	\$105.00	40	\$40.00	\$820.00
15	\$15.00	\$120.00	41	\$41.00	\$861.00
16	\$16.00	\$136.00	42	\$42.00	\$903.00
17	\$17.00	\$153.00	43	\$43.00	\$946.00
18	\$18.00	\$171.00	44	\$44.00	\$990.00
19	\$19.00	\$190.00	45	\$45.00	\$1,035.00
20	\$20.00	\$210.00	46	\$46.00	\$1,081.00
21	\$21.00	\$231.00	47	\$47.00	\$1,128.00
22	\$22.00	\$253.00	48	\$48.00	\$1,176.00
23	\$23.00	\$276.00	49	\$49.00	\$1,125.00
24	\$24.00	\$300.00	50	\$50.00	\$1,275.00
25	\$25.00	\$325.00	51	\$51.00	\$1,326.00
26	\$26.00	\$351.00	52	\$52.00	\$1,378.00



# SPEND IT

- Procrastinate/plan
- Set limits
- Self-control/willpower
- Personality



# Needs vs. Wants

- Do a needs assessment
- Be aware of your shopping/buying patterns
- Willpower
- Watch out for “SALES”

# Budgets

Make your budget work for you/make it a priority

- You are the CEO of your finances
- Incoming ---- Outgoing
- Track spending
- Use a financial management tool/spreadsheets



# Money\$mart a financial management tool

Home Inquiries Transactions Bill Pay Forms/Applications eStatements eAlerts Services Contact Info User Profile

Enrollment eStatements Bill Pay eAlerts Special Occasions Bonds MoneySmart TreasTax & Loan Pymt

Check Reorder FMFCU Credit Cards Contact Info

## MoneySmart

Dashboard Budget Cashflow Goals Net Worth Alerts

**FIRST STEPS** Add income and bills like your paycheck, rent or utilities to see your monthly cashflow.

Your account update has completed. [Click here to see the latest information.](#)

ADD UPDATE

Show more information

CASH			
Savings (S007)	\$3,003.39		
Checking (D100)	\$3,011.71		
Holiday	\$0.72		
Vaca	\$406.41		
Spend - everyday...	\$1,438.48		
Reserve- short-t...	\$1,300.10		

Advanced SEARCH

**Wednesday, November 21, 2012** [Export](#)

AAA NORTHERN CAL ACH PPDI... Checking (D100)	Travel	+ 170.00
<b>Friday, November 16, 2012</b>		
E BANKING FROM D TO S Checking (D100)		- 95.00
HSBC RETAIL SER ACH BILL... Checking (D100)		- 45.00
E BANKING FROM D TO S Vaca		+ 95.00

## MoneySmart

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Spend - everyday...	\$1,438.48	
Reserve- short-t...	\$1,300.10	
Growth- long-ter...	\$0.00	
eSpend	\$3.83	

DEBITS

Loan (L608)	\$3,792.40
Loan (L610)	\$3,708.32
Line of Credit (C...)	\$0.00

## Alerts

Alerts can send emails or text messages to you when certain criteria are met. You can create your own below.

ADD AN ALERT

Alerts can notify you about account balances, budget status, and more!

### Current alerts

Spending Target Alert	Notify me when my VJC Photo exceeds 80%.		
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### Set Up Your MoneySmart Alerts

Mobile alerts should be sent to:

Email alerts should be sent to:

MoneySmart never charges for text messages. However,



# Planner/Trackers

## MONTHLY AND ANNUAL INCOME AND EXPENSES PLANNER and TRACKER

Enter numbers ONLY into the yellow cells. Everything else is automatically calculated.

INCOME	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Total annual \$		
NET INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	NET take home pay after taxes and 401K contributions. (added FSA)
Monetary Gain	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Bonus & Tax Refund... etc
Monetary Gift	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Birthday & Christmas Money
EXPENSES	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Total annual \$	Notes:	
Savings - Super Saver	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Include savings here as well since it is a cash outlay that should be planned, even though it is not exactly an "expense". IRA, etc
Savings - VacationeClub	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Savings - Holidayeclub	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Savings - ING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Includes monthly portion of annual property taxes
FMFCU - Mortgage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Condo Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Condo Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Gas & Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cable & Internet	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Trash Removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Car and Home Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Student Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Credit Card - Chase	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Credit Card - FMFCU	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Medical (paid w/ checks)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
ATM/Cash Withdrawal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Check Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Unexpected Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Car Services & Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	*Include car washes, oil changes, repairs, DMV registration fees, etc.
Cell Phone Bill	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Ex. Use these other rows for any other average monthly spending unquie to you
TOTAL Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cash left over	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Months with negative monthly cash flow are automatically highlighted in red.

\$0 added savings accounts to "cash left over"

2013



# Planner/Tracker

Spending Tracker for iPhone, iPod touch, and iPad on the iTunes App Store - Windows Internet Explorer

https://itunes.apple.com/us/app/spending-tracker/id548615579?mt=8

spending tracker app

File Edit View Favorites Tools Help

Google spending tracker app

Open iTunes to buy and download apps.



### Description

Spending Tracker is the easiest and most user friendly Personal Finance App in the store. And best of all, it's free!

★★★★ "Amazingly easy, and a great tool for keeping track of your money"

[Spending Tracker Support](#) ...More

### What's New in Version 1.3.2

Spending Tracker 1.3.2

\* Fixed problem with the Reports when toggling the category type

...More

[View In iTunes](#)

This app is designed for both iPhone and iPad

**Free**

Category: Finance  
Updated: Dec 11, 2012  
Version: 1.3.2  
Size: 12.3 MB  
Seller: MH Riley Ltd  
© 2012 MH Riley Ltd  
Rated 4+

**Requirements:** Compatible with iPhone, iPod touch, and iPad. Requires iOS 5.0 or later. This app is optimized for iPhone 5.

### Customer Ratings

Current Version:  
★★★★ 1204 Ratings

All Versions:  
★★★★ 1428 Ratings

### Screenshots

iPhone | iPad

August

Income	\$1,750.00
Expense	\$1,498.69
Fuel	\$448.69
Shopping	\$350.00
Kids	\$300.00
Clothes	\$250.00
Gifts	\$125.00
Sports	\$25.00
Balance	+\$251.31

August

- Salary Tuesday, 28 Aug 2012 \$1,750.00
- Clothes Saturday, 11 Aug 2012 \$250.00
- Holidays Saturday, 11 Aug 2012 \$400.00
- Gifts Saturday, 11 Aug 2012 \$125.00
- Shopping Saturday, 11 Aug 2012 \$350.00

# INVEST IT

- Set a goal – short term – long term
- Educate yourself – load, no-load
- Age appropriate strategies
- Use a trusted professional
- 401k, IRA



# INVEST IT

- Traditional IRAs
- Roth IRA
- Defined contribution plan



# Your Personality & Money



Once you understand your relationship with money you can begin to move forward....

# Resources

- <http://www.fmfcu.org/>
- <http://www.fmfcu.org/eservices/moneysmart.htm>
- [www.clarifi.org](http://www.clarifi.org)
- <http://www.spring.org.uk/2008/05/why-money-is-part-of-human-nature-money.php>
- <http://www.learnvest.com/2012/06/4-ways-willpower-affects-your-finances-and-how-to-increase-it/>
- <http://www.sciencedaily.com/releases/2008/01/080123125608.htm>
- <http://www.learnvest.com/2013/05/the-life-you-have-vs-the-life-you-want-do-you-spend-on-your-imaginary-self/>
- McCall, Karen. *Financial Recovery: Developing a Healthy Relationship with Money*. New World Library , 2011. Print.



# Discussion

