



Budgeting



Budgeting and tracking your expenses will give you a firm grasp on how much money is coming in and where it's going out. This can help you cut wasteful spending and free up more of your income.

"A budget
is telling your money
where to go
instead of wondering
where it went."

Dave Ramsey

Balance Your Check Book

- ▶ **Balancing a checkbook** means you've recorded all additions (deposits) made to your account and subtractions (withdrawals). Each deposit and withdrawal is called a transaction. The purpose for **balancing a checkbook** is to know how much actual money you have in your checking account at any given time.
- ▶ Understanding how to balance a checkbook will also allow you to understand your online banking transaction history.

Date	Check #	Transaction	Credit	Debit	Balance
		Balance Forward			520.25
6/24/12	214	Shoe Store		89.99	
6/25/12		ATM Withdrawal		50.00	
6/26/12		ATM Deposit	160.00		
6/27/12	215	Grocery Store		110.59	
6/29/12		Direct Deposit Paycheck	452.17		
6/30/12	216	Rent		450.00	
7/2/12	218	Car Payment		325.15	
7/2/12	219	Electric Company		62.38	
7/3/12		ATM Deposit	65.00		
7/3/12	220	Cell Phone Company		127.16	
7/6/12		Direct Deposit Paycheck	452.17		
7/8/12	221	Credit Card Payment		85.00	

How to check your balance

- ▶ Check your balance online
<https://www.gncu.org/>
- ▶ Call the automated teller or Credit Union directly to inquire about your balance
 - ▶ (775) 882-2060 or (800) 421-6674
- ▶ Go into a local branch and inquire about your balance
- ▶ Use an ATM to check your balance for free
 - ▶ If you got a receipt from your last ATM transaction, this may also list your balance at the time the transaction took place



What should a budget include?

- ▶ Savings (at least 10% of your net income)
- ▶ Rent
- ▶ Renter's Insurance
- ▶ Car Payment or bus pass
- ▶ Car Insurance (if applicable)
- ▶ Gas for your vehicle (if applicable)
- ▶ Car repairs/maintenance (if applicable)
- ▶ Cell Phone Bill
- ▶ Power—NV Energy
- ▶ Food
- ▶ Wi-fi/Internet
- ▶ Clothing/hygiene
- ▶ Spending money

Free Apps for budgeting



everydollar

- ▶ With EveryDollar Plus, you can connect your bank to your budget. No more time spent entering paper receipts or checking your bank account. Simply log in to view recent spending and drag transactions to your budget categories.

DOCTORS CARE SOUTH CAROLINA DCSC.AR
4416 FOREST DRIVE
COLUMBIA, SC 29206



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**TRANSACTIONS AFTER THE CLOSING DATE
WILL APPEAR ON YOUR NEXT STATEMENT**



Patient Name
Patient Address

ACCOUNT NUMBER

102638 Patient Name

PAGE

STATEMENT DATE



MASTERCARD



VISA



DISCOVER

**PAY THIS
AMOUNT** >

\$

**AMOUNT
ENCLOSED** >

\$

IF PAYING BY CREDIT CARD, PLEASE SEE REVERSE SIDE

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How do you pay a bill?

- ❖ Get organized, get a folder to keep your bills in.
 - ❖ Never throw out a bill until you've confirmed it's been paid.
 - ❖ Check your bills regularly to spot mistakes or over charges
 - ❖ Don't let your bills get on top of you.
 - ❖ If you're struggling to pay your bills, don't ignore the problem, because it will only get worse
- ▶ Choose a payment method
 - ▶ Direct Debit from your checking account
 - ▶ Online Bill pay through the credit union
 - ▶ Pay over the phone—call number listed on the bill
 - ▶ Pay by mailing a check to the vendor
 - ▶ Physically go to the vendor you owe money to and pay them directly

Wants vs. Needs

Subtract your necessities from your income and what's left over is discretionary - what you have to spend on things you want.

Make a list of all of your needs next to all of your wants.

Examples of needs: housing, food, cell phone plan, bus pass/car and gas expenses

Examples of wants: a new pair of jeans, a new smart phone, concert tickets, or spending money for trips to the movies with friends.

Needs



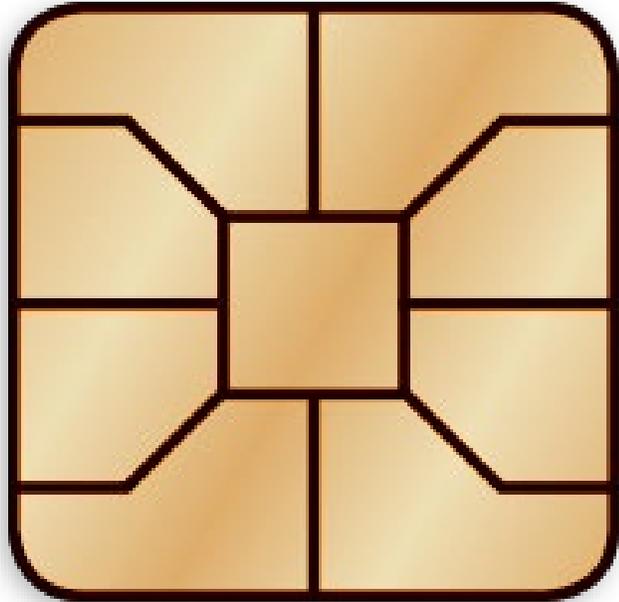
Wants



Avoid making spur of the moment overspending

- ▶ To help you avoid making spur-of-the-moment overspending decisions you could leave the money that you need for your bills at home, or you can set some money aside in a savings account that is used to make a larger purchase or for an emergency.





What is a Credit Card?

- ▶ A credit card is a small plastic card issued to you to purchase items that you pay for at a later date
- ▶ Different from a debit card in that the amount charged to the credit card becomes a bill that you owe at a later date
- ▶ If you do not pay your credit card bill in full when it comes you will then be charged a high interest rate (fee) that can add up and become difficult to pay off. Even when you pay the minimum amount due on your credit card bill the bank will continue to charge you each month you have a balance owing.
- ▶ Credit cards now come standard with a micro chip, which makes your purchase more secure when you use your card at stores



The Pitfalls of Debt

- ▶ Today there are more ways to get into debt than ever before. Some examples are unpaid cell phone bill contracts, purchasing a car and skipping the monthly payments, or not paying your monthly bills.
- ▶ When you make only the minimum payment on a credit card bill the bank or creditor will put more of your payment towards interest and less toward your balance owed; which means it could take years to pay off the small amount you owe.
- ▶ There is no such thing as good debt and bad debt. There is only debt.



Build Your Savings

Over 75% of Americans don't have enough in savings to cover their bills for six months, and 25% have no savings at all. Becoming a smart saver will help you create a strong savings plan to be ready for an emergency or rainy day. Source: Federal Reserve, US Census Bureau, Internal Revenue Service



An emergency fund is for those unexpected events in life that you can't plan for, like the loss of a job, a roommate moving out, or car repairs. It's not a matter of if these events will happen. It's simply a matter of when. Your emergency fund should have 3 months worth of your expenses saved, however, when you're first starting try and save at least \$500.00.



Once you have \$500 saved in your emergency fund you won't need to rely on payday loans or credit cards if something comes up that you can't afford. Remember to replenish your emergency fund ASAP.



Avoid Pay Day Loan Companies



- ▶ People without savings to cover unexpected expenses are generally living paycheck to paycheck. The majority of borrowers can't pay the payday loan back in the short amount of time given and they will have to roll over their loans many times over, which piles on the fees, making it even more difficult to pay off, trapping the borrower in a cycle of growing debt. The fees/interest rates are so high that many people can never catch up and pay these loans off.
- ▶ Never cash your IL check or work check at these locations as they will charge you a fee. With your picture ID you can go to bank that issued the check and cash for FREE.

Changed your address recently?

- ▶ To let the post office know you are going to change your address and want your mail forwarded to your new location for 1 year, you have 2 options:
 - ▶ Go to [USPS.com/move](https://usps.com/move) to change your address online (costs \$1.00).
 - ▶ Go to your local post office and request a Mover's Guide packet (cost is free).
- ▶ It is also very important to let your employer and your bank/credit union know about your new address as well as NV Energy, Truckee Meadows Water Authority, and your internet provider because need to reactivate service.
- ▶ Additionally, any other services sending you bills, need to know about your address change-when you turn 18 it is especially important to notify NV Medicaid if your address changes and the DMV.

Activity—Bite of Reality 2.5hr simulation downloadable app requires facilitator password

- ▶ Teens are given a fictional occupation, salary, spouse and family, student loan debt, credit card debt, and medical insurance payments. The teens then walk around to various table-top stations to “purchase” housing, transportation, food, clothing, household necessities, day care, and other needs. Fortunately, the game also includes a “credit union” to help with their financial needs.
- ▶ This interactive activity will teach teens how to make financial decisions and give them a better understanding of the challenges of living on a budget. Teens will have to deal with a pushy “car salesperson” and a commission-based “realtor,” and weigh their wants versus their needs. There’s even a “Fickle Finger of Fate” that will give the students unexpected “expenses” or “windfalls”—just like in real life.

The logo for 'Bite of Reality' is a purple rounded rectangle with a white border. The text 'BITE OF REALITY' is written in a bold, white, sans-serif font. The 'O' in 'OF' is a small circle. The 'B' in 'BITE' has a dollar sign (\$) inside its top loop.

**BITE OF
REALITY**