



**TEMPE**  
Community  
Council

TEMPE FINANCIAL  
STABILITY INITIATIVE

# roadmap to financial stability

PARTNERSHIP OF


Arizona State University

City of Tempe


Tempe Community Council

# Session 1 Recap

- Net Worth: Assets – Liabilities
- Know What You Owe

**KNOW WHAT YOU OWE**


Company/Loan Name	Total Amount Owed	Interest Rate	Estimated Monthly Payment	Payment Due Date	Notes

**HOW MUCH ARE YOU WORTH?**


ASSETS	VALUE (if you were to sell it right now)
Checking Account	
iPod	
Vehicle	

**INTEREST RATE:**


Interest Rate	Lender Contact Info

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# Session 1 Recap

- Budgeting

## BUDGETING: YOUR PLAN



**Fixed Expenses** Expenses that remain the same and are due on a regular basis  
**Variable Expenses** Expenses that may fluctuate from time to time  
**Income** Money you have earned, received as a gift on a regular basis

EXPENSES				
Fixed Expense	Bi-Monthly	Weekly	Semester/Term	Yearly
	= Monthly Amt / 2		5 mos in a semester (5 x \$400 =)	12 mos in a year (12 x \$400 =)
<i>ex. Rent</i>	\$ 200	\$ 400	\$ 2,000	\$ 4,800
Tuition				
<b>Total Fixed Expenses</b>	\$	\$	\$	\$

Variable Expense	Bi-Monthly	Weekly	Semester/Term	Yearly
<b>Total Variable Expenses</b>	\$	\$	\$	\$

INCOME				
Source of Income	Bi-Monthly	Weekly	Semester/Term	Yearly
<i>ex. Paycheck</i>	\$ 600	\$ 1,200	\$ 6,000	\$ 3,600
<b>Total Income</b>	\$	\$	\$	\$

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# Creating a Budget

1. List Expenses
2. List Income
3. Evaluate Amounts
4. Create Goals
5. Re-evaluate



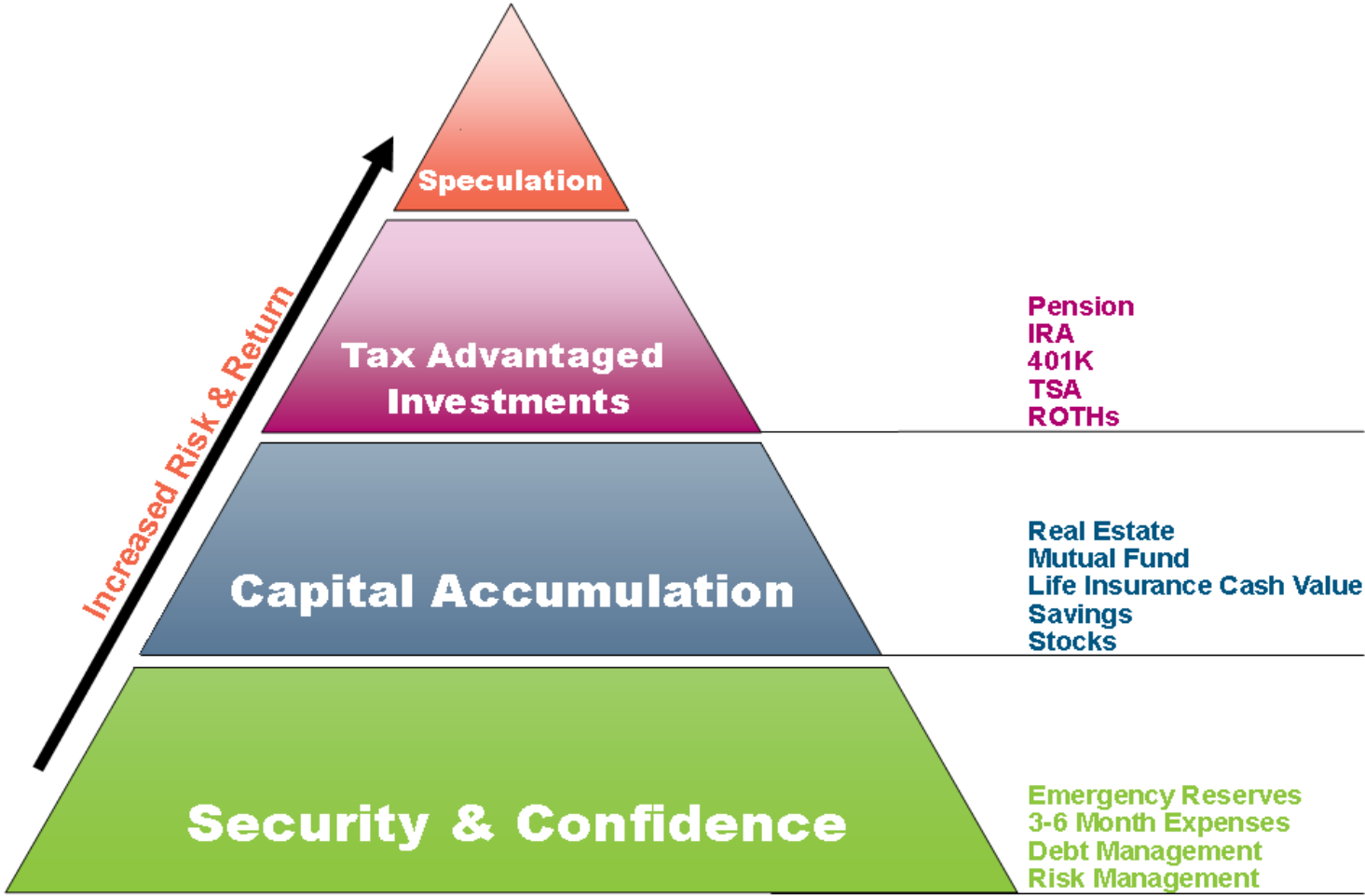
# Be Honest with Yourself



“Honesty is the first chapter  
of the book of wisdom.”

-Thomas Jefferson

# Pyramid of Financial Needs



# Where are we going?



## Pre-Requisites

- Banking Basics
- Rule of 72 and Compounding
- Net Worth
- Budgeting

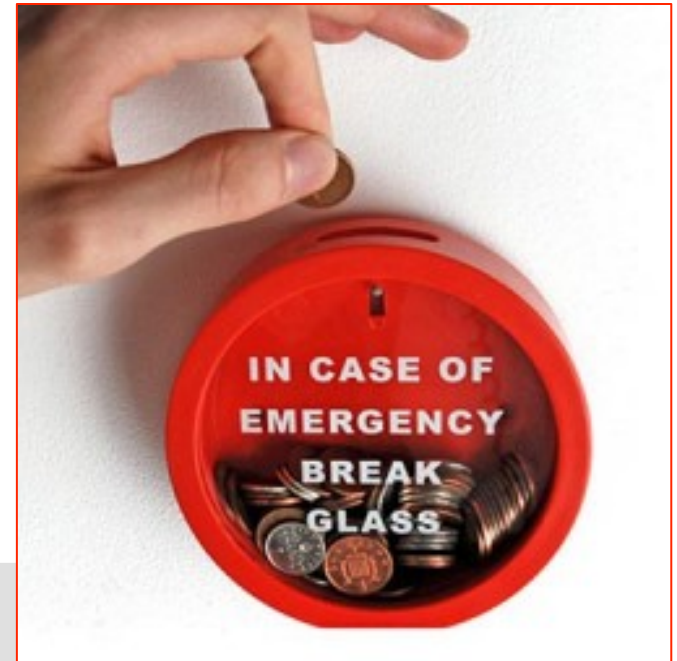
# How Much?

## EMERGENCY RESERVE FUND

- Why its important?
- No set \$ amount
- 3-6 months of expenses

**3 Months Reserve**  
(All expenses) x 3

**6 Months Reserve**  
(All expenses) x 6







# Goooooooooaaals!

What is a goal?

Financial Goal  
vs.  
Personal Goal



# Beware of hidden costs!

## SHOPPING FOR A VEHICLE

How will you pay for it?

### Other Expenses

- Insurance
- Gas
- Maintenance
- Car registration
- Bedazzled seat cover?



# Risk Management

## HEALTH INSURANCE

- Why is it important?
- Indemnity - Fee for Service
- Managed Care



# Risk Management

## LIFE INSURANCE

- Why is it important?
- Term
- Whole





# Risk Management

## OTHER INSURANCE

- Disability
- Renters
- Auto
- Long Term Care



# Credit Score

[Annualcreditreport.com](http://Annualcreditreport.com)

[MYFICO.com](http://MYFICO.com)



# To Do List



**Budget –Your Plan**



**Goals**



**Insurance Coverage**



**Track spending!**

**Till We Meet Again**





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made possible with  
generous support from:



Valley of the Sun  
United Way



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