

MONEY MATTERS

It's either working for you or someone else



Presenters:

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"...the concrete life examples, factual information, and activities in this book will help adolescents plan their financial future."
Jessie Butash
Woonsocket Middle School Counselor

LOOK INSIDE!

MONEY MATTERS

For

DUMMIES

It's either
working
for you or
someone
else



BIG CITY And the Small Village

Classic tale of miscommunication.....



LET'S LEARN
ABOUT MONEY!





WHAT IS MONEY?



IT'S AN EMPLOYEE!



- Everyone likes money.
- Most of the adult decisions and options in life center on money.
- In these uncertain economic times, it's more important than ever for teenagers to get a head start and gain an early understanding of what money is and how it works.
- Often, young people believe the only way to become financially free is to win the lottery or become a professional athlete, or rock star.
- It describes what money is, how money is earned, and provides easy-to-understand tips and strategies for saving wisely and spending frugally



HOW MUCH IS RICH?





CONGRATULATIONS! YOU JUST WON \$1 MILLION DOLLARS! Now what?

Let's pretend for a moment that you just hit the lottery and won \$1 million dollars! That would be great, wouldn't it? Imagine that photo above is really a \$1 million dollar bill and it is all yours!

What are you going to do now? From the list below place a check mark next to the things you are going to do now with your million dollars—happy spending!

HOUSE and LOCATION:

3 bedroom/2 bath house in California _____

3 bedroom/2bath condo in New York City _____

VEHICLE:

Newest Model BMW Sports Car _____

Newest Model Cadillac Escalade _____

Newest Model Porsche Sports Car _____

MOM & DAD:

Buy Mom/Dad/Grandparents a New Home _____

Buy Mom/Dad/Grandparents a New Car _____

TRAVEL:

Will travel Europe for 30 days of vacation _____

Will travel the USA for 30 days of vacation _____

Will travel South America for 30 days of vacation _____

Car Additions:

Top of the line Spinners _____

Top of the line Sound System _____

DVD/TV/Game System Hook Up _____

HOUSE ADDITIONS:

Top of the line in-ground pool _____

3-car garage _____

Theater Room fully loaded _____

Family Fun Room fully loaded _____

EMPLOYMENT:

Will you work or quit your job? (Circle one) **WORK** **QUIT**

ENTOURAGE:

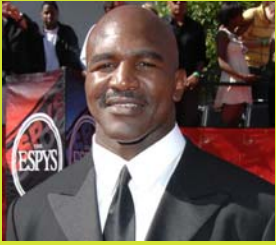
Will you do all of this alone or will you bring your crew? **ALONE** **CREW**

How many are in your crew? _____



BUT I'M GONNA
BE A STAR
BABY!





Evander Holyfield's Child Support Causes Financial Problems

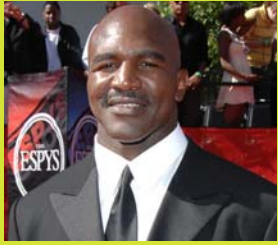
At the height of his career, Evander Holyfield not only kept busy in the ring, he was also getting busy in other parts of his life.

The boxer, who has 11 children, recently filed to have his child support reduced. In the filing, Holyfield claimed that his income has been reduced substantially and that he cannot afford the child support payments for at least one of his kids. But this is not the first time he has had trouble in child support court, or in other areas of his financial life.

Holyfield also had a \$10 million dollar estate that went into foreclosure in 2008, and has been sued by several companies for not making payments that were owed to them. As a result, he is engaged in the sad and humiliating task of trying to maintain his boxing career at the age of 45. When are we going to learn the lessons of Joe Louis, Mike Tyson and Muhammad Ali?

Both Louis and Ali kept boxing long after their primes, mainly due to financial problems. Louis spent his final years running from the IRS, and Ali still has significant brain damage from fighting longer than he should have. Tyson is the first to admit that he squandered over \$100 million dollars in earnings on wasteful spending, drugs and his "odd" relationship with Don King. I always find it interesting that Tyson so readily admits that he screwed up, and then he just does it again. Either way, here are some quick teachable moments that we can all pick up from watching these men ruin their financial lives:





1) Even if you are an athlete, you must get educated. People like Bill Cosby and Oprah Winfrey don't go broke because they make sure they understand where their money is going. They sign their own checks most of the time, and they don't allow money to be handled by people they don't trust. There should also be checks and balances in place to ensure that people aren't stealing from you -- such as random audits by an outside entity. If you are wealthy and uneducated, someone might likely see you as their financial prey. The more you have, the more you have to protect.

2) Spend far less than what you earn. Your life should be making a profit, just like a business. That means that your income should exceed your expenses by at least 20% if possible. If you are fine with barely scraping by, you are asking for a financial disaster. One job loss or a couple of missed paychecks can lead to financial catastrophe.

3) Think carefully before having a big pile of kids. Children are a wonderful blessing. But having too many kids, especially early in life, is a great way to keep yourself in the poor house. Children are expensive, and having children with someone you are not married to will create a long list of headaches for yourself. There is something called a "condom" that some of us apparently refuse to use, and this short-term decision can lead to a life time of discomfort for both you and the kids you've created. Evander's decision to personally repopulate the earth was probably not well thought-out, since he is now unable to provide a sufficient lifestyle for his 11 children. He was "the man" in the ring, but I'm sure he doesn't feel like much of a man right now. I feel sorry for him, and hope that Holyfield can patch up his financial life.

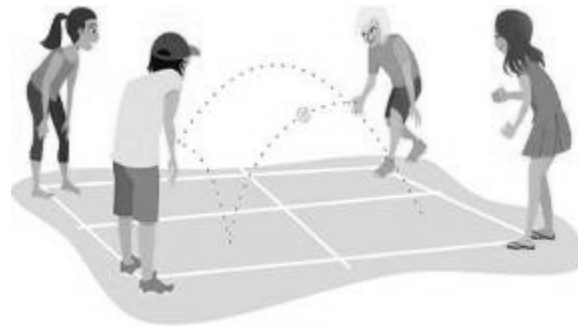


HOW IS MONEY MADE?



MONEY DOESN'T GROW ON
A TREE AND YOUR
PARENTS AREN'T MADE OF
IT.





FOUR SQUARE

<u>TIME FOR MONEY</u> These are the Sweat Laborers	<u>TIME IS MONEY</u> These people have flexibility
PW	F
SE	BO



SWEAT WORK
OR
SMART WORK



*"I'VE GOT ALL THE MONEY I'LL EVER
NEED IF I DIE BY FOUR O'CLOCK
THIS AFTERNOON."*

Henry Youngman (1906-1998)



SIX FIRST AID CURES
FOR A
SKINNY WALLET!





#1

START FEEDING YOUR WALLET



#2 ESTABLISH A BUDGET AND CONTROL YOUR EXPENSES

#3 MAKE YOUR MONEY MULTIPLY

#4 GUARD YOUR WALLET FROM LOSS

#5 PLAN FOR RETIREMENT

#6 INCREASE YOUR EARNING POTENTIAL



FIVE LAWS OF MONEY



#1 CREATE SAVINGS FOR FUTURE

#2 FIND WAYS TO EARN PROFITS

#3 INVEST WISELY

#4 MONEY WILL SLIP AWAY

#5 MONEY WILL RUN AWAY



*MONEY IS A TOOL THAT
REQUIRES A WISE
OWNER*

"THE FOUR LITTLE PIGS"



Tithing/Charity 10%



Pay Yourself 10%



Investment 10%



Living Expenses 70%



How can kids and their families use the concept of a piggy bank to their financial benefit?



ARE YOU INVOLVED
OR COMMITTED?



STORY OF THE HEN AND THE PIG



YOUR
FINAL
ASSIGNMENT



EACH ONE
TEACH ONE!

