



STEPS

**TO FINANCIAL
FREEDOM**

GREENPATH SERVICES



FINANCIAL
ASSESSMENTS



HOUSING
COUNSELING



CREDIT REPORT
REVIEW



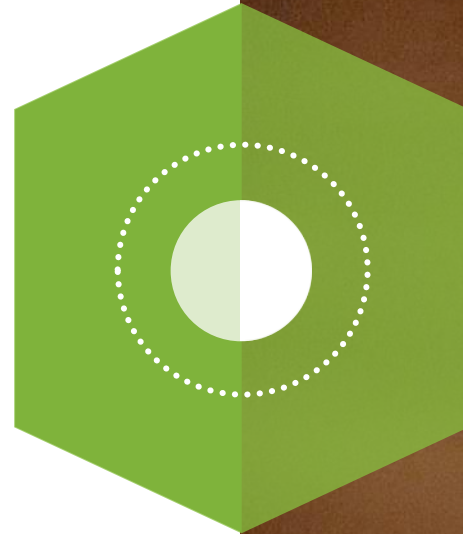
DEBT
MANAGEMENT

TODAY'S DISCUSSION

○ How do you set financial goals?

○ How do you create a budget?

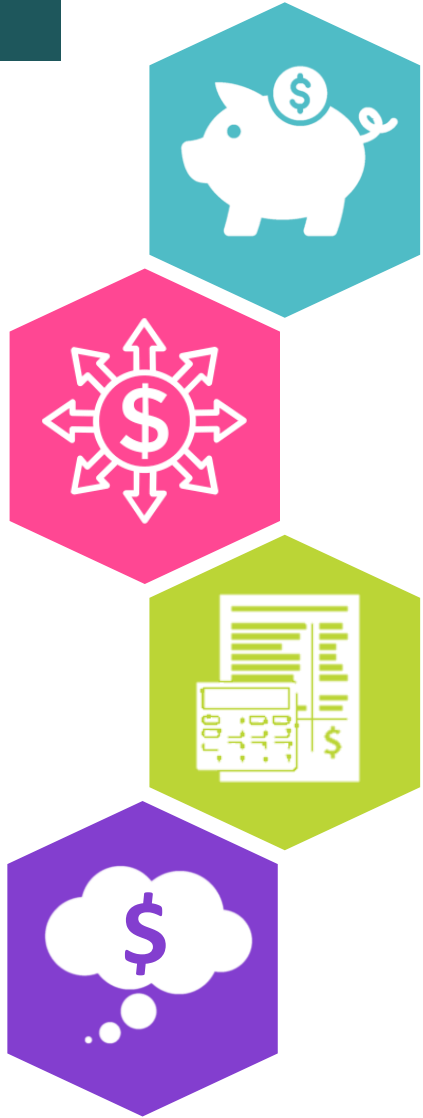
○ How do you use credit wisely?



STEP
1

UNDERSTAND YOUR MONEY PERSONALITY

STEP
1



MONEY PERSONALITY

List the products and services you spend your money on

List ways you are a 'good spender'

List changes you would like to make in your spending habits

STEP
2

SETTING GOALS

SETTING GOALS



SPECIFIC

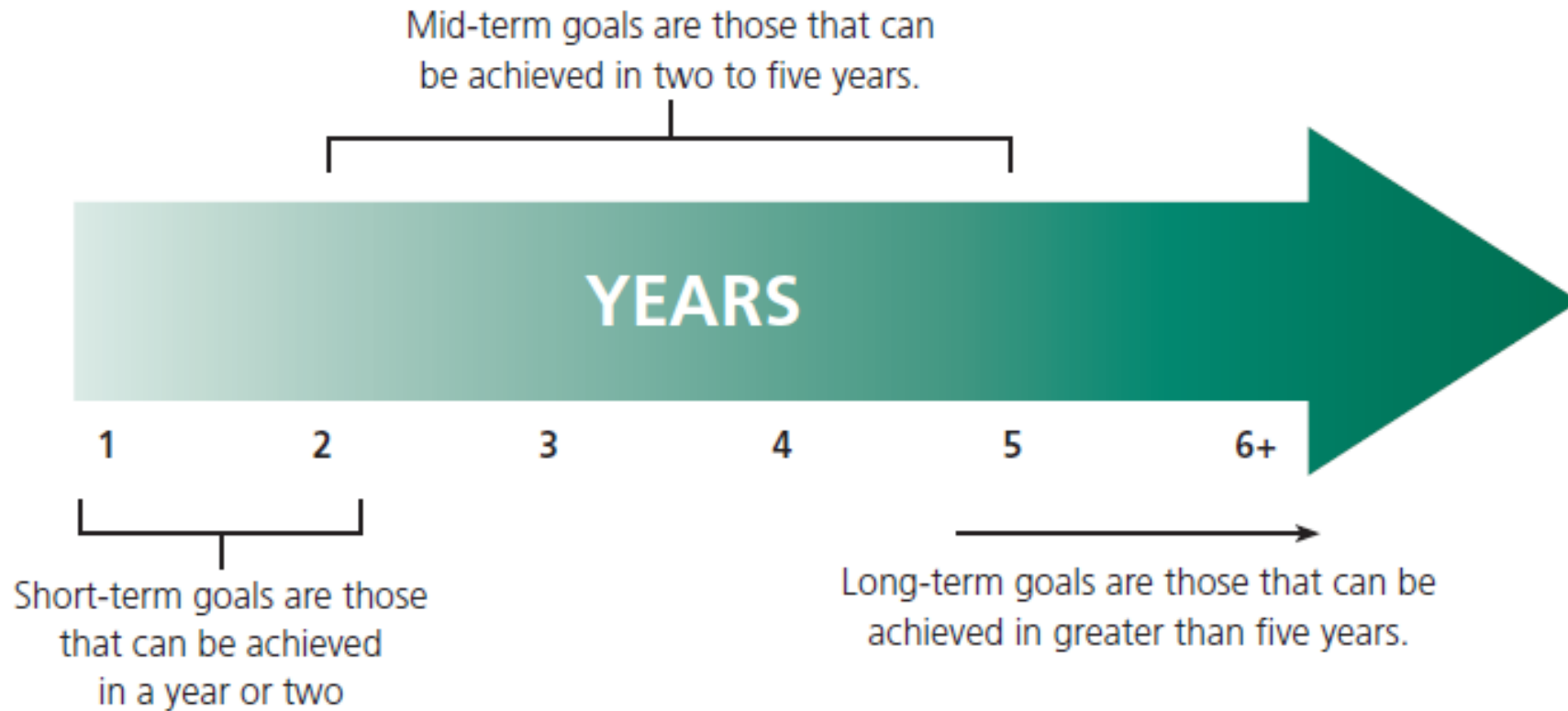


MEASUREABLE



REASONABLE
& REALISTIC

SETTING GOALS



Goals for the next
1-2 YEARS

Goals for the next
2-5 YEARS

Goals for the next
More than 5 YEARS



STEP
3

BUDGETING

Income:
GROSS vs NET

Expenses:
FIXED, VARIABLE,
PERIODIC

Debts

SPENDING

MEMBERSHIP	325
HOLIDAY DEP.	400
CAR ALLOWANCE	575
MEMBERSHIP	110
CONTRACT	60
RENT	820
Utilities	112
CABLE-TV	48

To Renew House
Insurance - July

BUDGETING GUIDELINES

RECOMMENDED MONTHLY EXPENDITURES

Category	% Monthly Take-Home Pay
Mortgage/ Rent	25-35
Food	18-23
Consumer Debt	10-20
Savings	7-10

STEP
4

SAVING TO ACHIEVE

SAVING TO ACHIEVE



INCLUDE IN
THE BUDGET



EMERGENCY
SAVINGS
FIRST



SAVE FOR
MOST
PURCHASES

CALCULATE
YOUR
EMERGENCY
SAVINGS



STEP
5

WAYS TO USE CREDIT WISELY



○ Good debt vs bad debt

○ Review your credit report

○ Handling debt problems

STEP
6

HOME SWEET HOME

The American
Dream

How much can I
buy?

Qualifying ratios

HOME SWEET HOME



HOUSING DEBT-TO-INCOME RATIO = 28% of Gross Income

MONTHLY DEBT-TO-INCOME RATIO = 36% of Gross Income

If you don't own a home:

1. How much house can you afford?
2. How's your debt to income ratio?

If you own a home:

1. How do your ratios look if you were to buy a house today?

STEP
7

INVEST FOR YOUR FUTURE

Stocks, bonds,
and cash

CD's and
savings bonds

IRA, 403(b), 401(k)
& mutual funds

Tax vs
tax-advantage

TAX ADVANTAGES



- Tax-free vs tax-deferred
- Pre-tax dollars

INSURANCE



Life



Health



Auto



Renters



Homeowners



Disability



Long Term
Care



Umbrella
Policy

STEP
10

KEEP GOOD RECORDS

Home files:
keep it simple

Write a financial
plan



GOOD ADVICE

- Learn as much as you can on your own
- Communicate with family members
- Be smart, seek guidance
- Use available resources
- Have some fun



QUESTIONS?



GREENPATH

FINANCIAL WELLNESS

is a nationwide non-profit that provides financial education and tools for people to lead *financially healthy lives*.