



Money Mentorship Wealth Workshop

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WHAT'S YOUR MONEY MOTIVATION?

Typical roadblocks to getting started with the plan:

- I'm not on the same page with my spouse or significant other. We look at things differently and have a different way of managing money.
- My money situation is bad. I can't fix it, so I'll just ignore it.
- I don't really understand a lot of this money stuff. it seems scary & overwhelming
- This is going to take way too much time & effort.
- I'd rather go to the dentist or get a colonoscopy.
- I don't want to be tied down to a budget. I want my freedom

What is your biggest struggle with money?

I would love to...

- Have an accurate monthly tracking
- Know where all our money goes
- Identify where I need to make adjustments
- Find that mystery money that always seems to disappear
- Have a simple report to review with my spouse or accountability partner
- Eliminate stress, guilt, fear, anxiety or worry about money
- Have a simple, consistent plan to follow with my spouse or significant other

Where do you want to experience success with money?



WHAT'S YOUR MONEY MOTIVATION?

Do you imagine yourself living a life of significance?

Would it be possible for you to leave a legacy for your family and those you care about?

What is your money vision over the next 12 months? Over the next 5 years? On a scale of 1-10, how motivated are you?

7 STEPS TO WEALTH

Step 1 - Maximize Your Earning Potential

We create a Personal & Professional Development Plan to improve our: •

Attitude & Approach

- Education, Coaching & Experience
- Systems & Structure
- Skills & Capacity

What can you do right now to maximize your earning potential?

Step 2 - Track & Know Your Numbers

We have 1 bank account (with 3 parts) and 1 credit card to manage our money. •

Checking - Pay Bills

- Savings - Allowance / Spending Money
- Money Market - Survival Account / Emergency Savings (3x survival number)
- Credit Card - Spending Limit for All Purchases Over \$20

We complete the Money Tracker between the 1st and 7th of each month to evaluate the past 30 days:

- How much came **IN**
- How much went **OUT**
- How much we **OWE**
- How much we **OWN**
- How much we **GAVE**

Do you have 1 bank account (with 3 parts) and 1 credit card to track & manage your money? Do you complete your Money Tracker at the beginning of each month?

7 STEPS TO WEALTH

Step 3 - Live Debt Free

The best way to accumulate wealth is by living debt free!

- According to the Federal Reserve, the average credit card rate in America is 14.65%
- We use a Debt Snowball (paying off all debts from smallest to largest balance) to eliminate all consumer debt in 12 - 24 months.

What debt(s) do you need to eliminate so you can live debt free?

Which debt will you start with first?

Step 4 - Build Survival Account (Emergency Savings/Money Market)

The goal is to save 3x our survival number in our money market account.

- Our survival number equals to the total of all expenses that MUST be paid each month.

Do you have 3x your monthly expenses saved in your money market account?

Step 5 - Maximize your retirement

Are you taking full advantage of your company match?

- 401k: Maximum contribution - \$19,500 per year (\$26,000 if age 50 or older)
- Roth IRA: Maximum contribution - \$6,000 per year (\$7,000 if age 50 or older)

Are you taking full advantage of your company's match?

Are you contributing the maximum amount to your 401k and/or Roth IRA every year?

7 STEPS TO WEALTH

Step 6 - Invest in the Market

Mutual funds are the safest way to invest in the market.

- Pick two mutual funds with at least 20 stocks in each fund.
- Invest consistently (every month) for dollar cost averaging
- Always invest with a purpose

Talk to a licensed financial adviser about the right investment strategy for you

<u>Investing \$100 per Month</u>	<u>Investing \$1,000 per Month</u>
If you are 45 years old & invest at an average 10% return, you will have \$76,669 by age 65.	If you are 45 years old & invest at an average 10% return, you will have \$766,690 by age 65.
If you are 35 years old & invest at an average 10% return, you will have \$228,032 by age 65.	If you are 35 years old & invest at an average 10% return, you will have \$2,280,320 by age 65.
If you are 25 years old & invest at an average 10% return, you will have \$637,778 by age 65.	If you are 25 years old & invest at an average 10% return, you will have \$6,377,780 by age 65.

Compounding is your money having babies and their babies having babies!

Step 7 - Pay Off Mortgage Early

Our goal is to pay off our home by the age of 55.

- Making 1 extra principal payment per year on a 30-year mortgage can remove up to 6 1/2 years from the life of your loan; not to mention the \$\$\$ savings in interest OR if your pay 1/12 extra per month on a 30-year loan, you could save 5-7 years off your mortgage.

Talk to a licensed real estate agent to manage your home's value! it could increase in value regardless of how much equity you have in the property.

HOW TO COMPLETE A MONEY TRACKER

Get organized

Simplify your accounts

- 1 Checking
- 1 Savings
- 1 Money Market
- 1 Personal Credit Card
- 1 Business Credit Card

Gather all your statements for your debts, utilities, and all monthly expenses

How much went out?

Bills, Spending, Savings (Column 3 and 4)

- What are your monthly bills, utilities, and obligations?
- What else do you spend money on?
- How much did you spend last month?
- How much did you save last month?

Create a spending limit for you and your spouse!

How much came in?

Income (Column 5)

- What sources of income do you have?
- Is all your income direct deposit?
- Do you receive income any other way?

How much do you own?

Assets (Bottom Section)

- What assets or accounts do you own?
What are the current balances in your accounts?
- How much equity do you have in your home and investment properties?

How much do you owe?

Debt (Column 1 and 2)

- What are your debt balances?
- What are your minimum monthly payments?
- How much do you pay on each account monthly?
What are the interest rates on each debt?

How much do you give?

Generosity changes everything!

- How much money did you give away last month?
- Who did you give that money to?
How can you increase your generosity next month?

