

FINANCES AND BUDGETING



Creating Wealth

- Discussion
 - What are the most important factors for creating wealth?



Discipline

- Discussion:
 - What is your income?
 - How much do you need to live?
 - Do you save?



Time

- Discussion
 - What are Index Funds?
 - What Index Fund should I choose? (VFIAX, FXAIX, SWPPX)
 - What is the S&P 500? [S&P 500 Map \(finviz.com\)](https://finviz.com)



Money

- Discussion:
 - What is a credit score?
 - What is inflation?
 - What about taxes?



Mindset

- More money will lead to more problems.
- Money isn't that important.
- Money makes people greedy.
- Money will make me a bad person.
- I'll never repay my debt anyway.
- It was easier to make money back in the day.
- I'll never make that much money.
- I don't know where to start.



Charts

Case Study

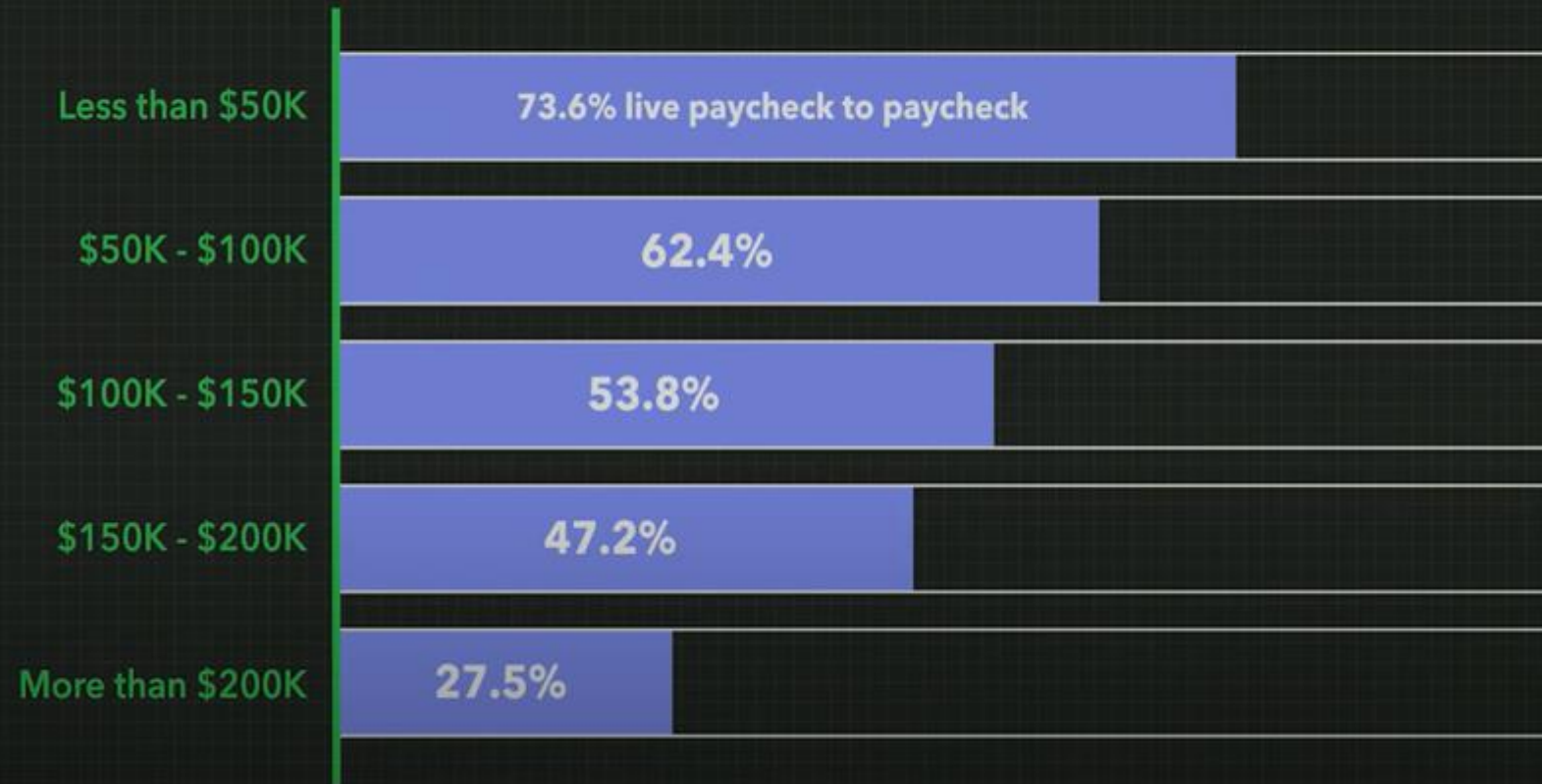
Income		Expenses	
Annual Salary: \$60,000		<i>Fixed</i>	<i>Variable*</i>
Monthly: \$5,000		Rent: \$1,500	Coffee: 50
Take Home: \$3,882		Car: \$500	Entertainment: \$100
Less: (\$3,500)		Gas: \$175	Gym: \$50
Left Over: \$382		Utilities: \$125	Groceries: \$400
		Total: \$2,300	Eating Out: \$600
			Total: \$1,200
		Total Expenses: \$3,500	



Charts

Share of U.S. Consumers Living Paycheck to Paycheck, by Annual Income

Source: LendingClub, September 2022 Report



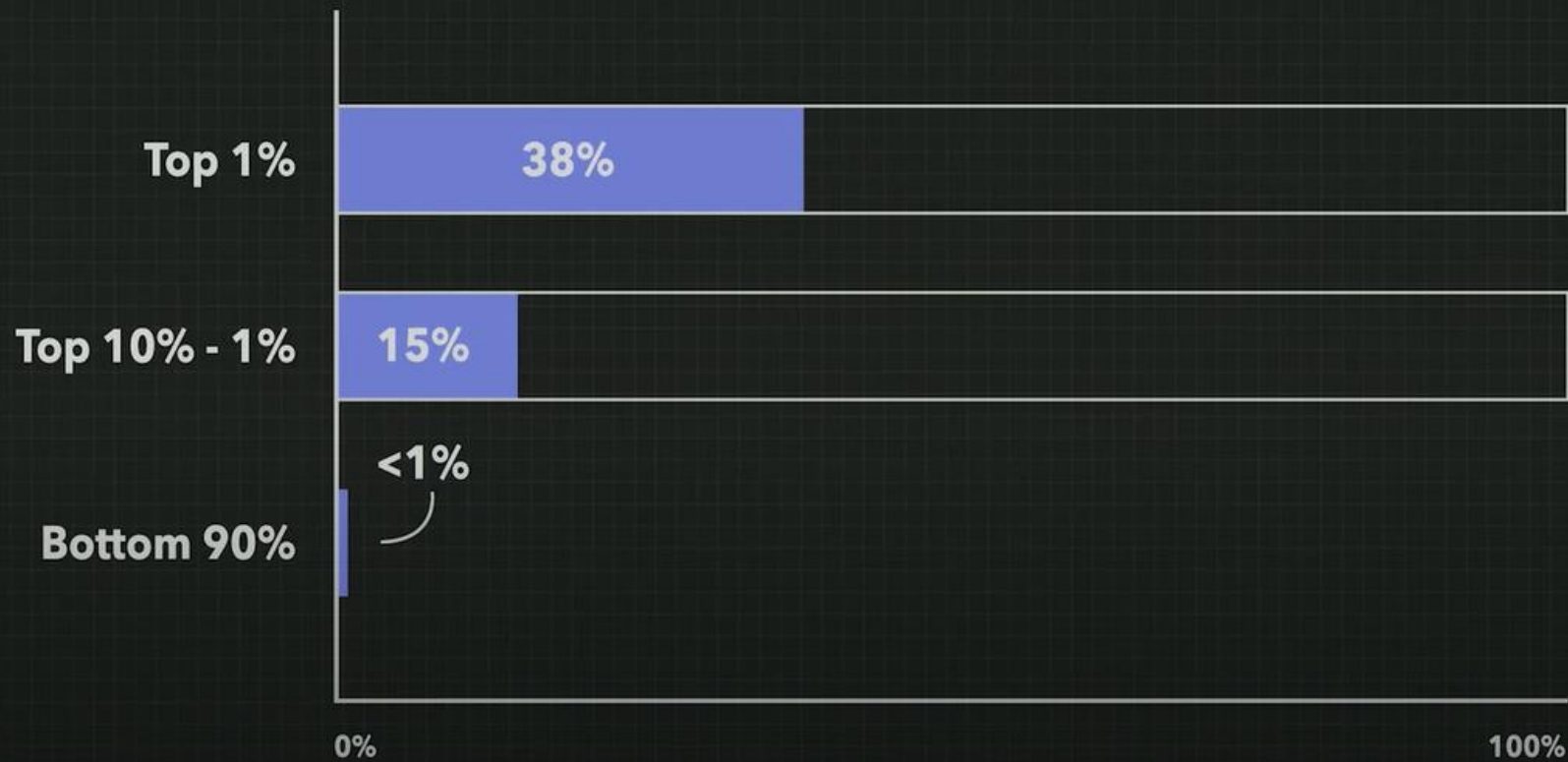
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Saving Rates by Income, 2010-2012

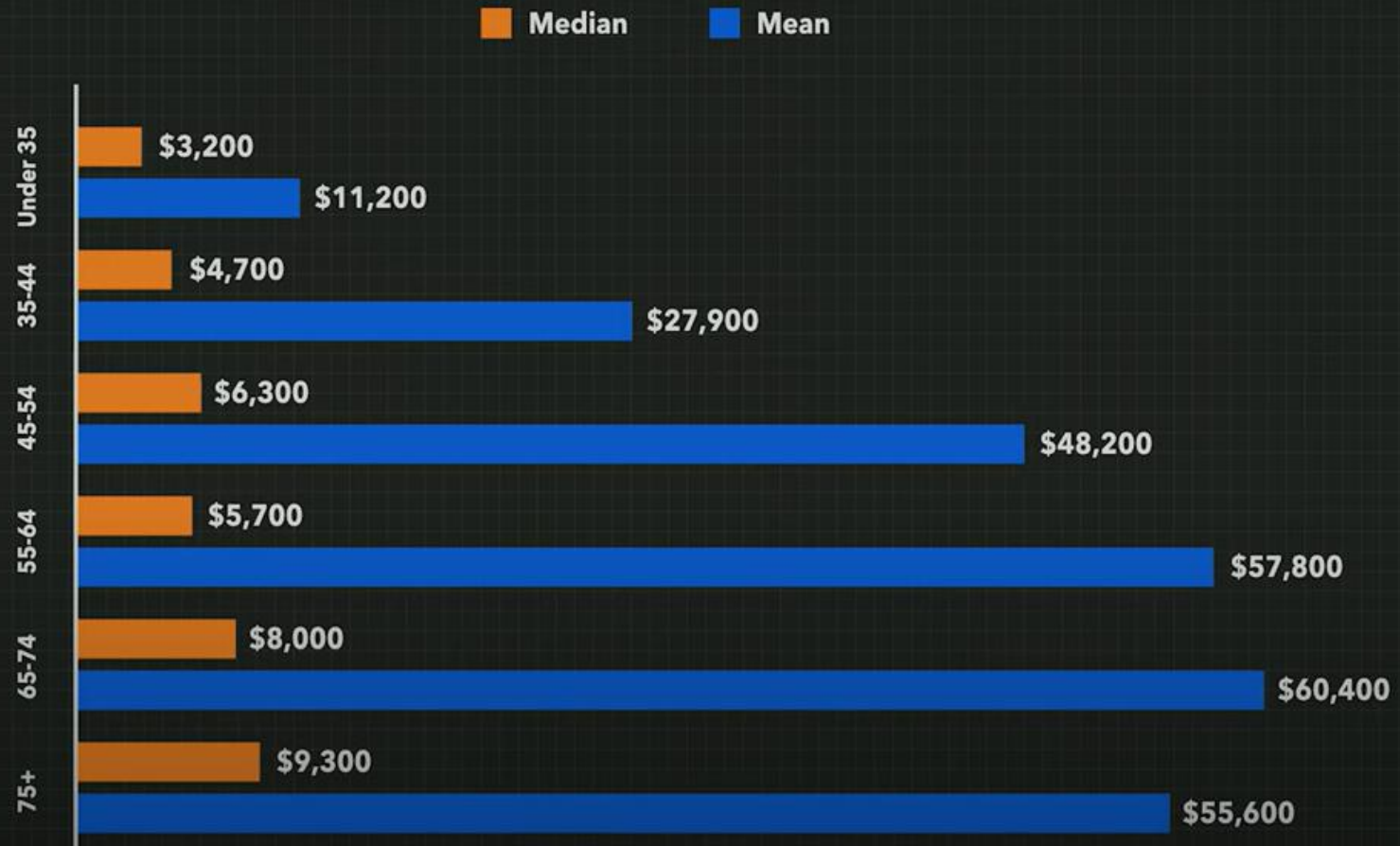
Source: Emmanuel Saez and Gabriel Zucman, Distribution of Wealth, Capital



Charts

Average Bank Account Balance by Age

Source: Federal Reserve, 2019 Survey of Consumer Finances



Charts

Median Net Worth by Age

Source: Federal Reserve, 2020

