

## **Parents Cost Us Money Too.**

What we wish our parents would have told us.

### **This May Appear To Be Another “Credit Cards Are From Hell” Kind Of Story. But It Is Not.**

In our days, everyone feels that a credit card is a convenience. We are fully aware of how people are acting globally using this magic card. They are completely clung to items and services that are convenient. How do you think RedBox got popular? Online shopping? RSS feeds? Mobile Banking? Wal-Mart Supercenters? But what better convenience to offer us than a card that we swipe and get what we want without a worry in the world? Can you believe that people used to carry cold hard cash in their pockets? Now, it's a piece of plastic that we have to check to see is still in our wallets because it could fall out. Back then when people ran out of cash, they had to wait until they got their next check or went to a bank? People FELT the loss of every dollar spent. Now we do not feel a thing. We can talk to people on the newest lightening fast phone that we got with our plastic credit card while we hand the card, yet again, to a clerk to purchase the latest fashion outfit from

our favorite store. Honestly, if you have a credit card, or even a debit card for that matter, do you think about handing the clerk 40 dollars cash? 200 dollars? Do you even pay attention to your monthly bank statement over email? Can you begin to see that some sources of convenience only produce success to themselves, rather than those who use the service?

**“That’s \$25.59 And I Have To Charge You \$3 To Take Your Money”**

You don’t pay the bookstore for them to let you purchase a book right? You just buy the book and it is yours. It would be ridiculous if we had to pay someone to spend our money. Yet that is exactly what we do when we use our credit card. It may be a convenience, but it is a convenience with a price. We pay the credit card company up to 20% or higher interest rates. That means with a \$100 dollar purchase you are paying an additional \$20 dollars to use your card. And I thought the 7.53% tax rate (depending on which state you live in) that is charged with each purchase was bad already. At least that money goes to the state for our wellbeing. Let’s face it; if you can afford making payments on a credit card, then you can afford not having one. I hear your savings account calling.

### **But Really, This Is Not Another Credit Card Story!**

I am 19 years old and I had to learn this, and much more, on my own. While my parents worried about how they were going to spend hundreds of thousands of dollars to raise me, I grew up worrying how I was going to stay out of debt and not need to retire because I love my work and am prosperous already. After all, since my parents could not do it, how could I possibly achieve that goal? If parents take hold of the responsibility of teaching their children how to manage their money and make financial decisions early on, common sense will tell us that they will grow to be much more successful and less stressful. With early education, we can prevent the mistakes of getting in debt or not being able to retire like so many people now. Reading this, you may think “That’s why I send my kids to school, to learn everything.” Hear me out, I have spent 180 days at school each year for twelve years. At seven hours of school each day, I have spent over 15,120 hours at school. Out of all those hours, I have only learned about 5% of all the most important money management lessons. I had to self-educate myself about money management, with the help of some mentors, a few books, and hundreds of websites and blogs. Now I am ready to begin sharing what I have learned with you. For the youth reading this, READ on. I guarantee a majority of parents probably have not shared the information you are about to read with you. For the parents who are reading this, READ on. You have no idea how spectacular of a feeling it could be to know that your kids do not have to be in the boat you call “Debt”. Nor do you want them to

point their finger at you saying that you did not tell them about this or that. This eBook is to provide you with thoughts, challenges, and encouragement on setting yourself, your children, and your family up on the right steps to financial and life success.

*We spend over 15,120 hours at school until college, but 26,280 hours outside of school. And who are we nearly always with when we are not in school at those ages? Our parents.*

### **Prevention > Clean-up**

I began this eBook by telling you about the possible destruction credit cards can and are creating, simply because everyone else is. If you walk to the financial section at the bookstore, you will see “How to eliminate credit card debt”, “destroy debt now, to be successful later”, “the debt snowball is upon you”. All that these books are trying to do is clean-up the mess that so many people have made. I am here to tell you about how to prevent the mess in the first place. The best part is that I won’t even mention credit cards again in the rest of the eBook.

*“It is easier to prevent bad habits than break them.” – Benjamin Franklin*

I once worked as a painter and near the beginning of that occupation my boss told me to paint an entire room myself. This was the third painting job that I worked at and I still had so much

to learn. He left me with the supplies and went out to make some phone calls. Since I still had little experience, I had no clue where to start. Given that I pride myself with improvisational skills, I took hold of the leadership opportunity and began painting. I was nearly half way finished when my boss arrived back after assuring our customer they would have the best quality work. "I'm nearly done!" I said. After I spoke, there was dead silence and I knew I had done something terrible. With a shake of his head, red faced and furious, he began to yell at me saying that I've done EVERYTHING wrong. I used the wrong paint, I never taped the baseboards, I did not cover the floor completely with drop cloths, I completely forgot about the ceiling, and I got spots of paint all along the window sills. It was a mess! I spent an hour and twenty minutes painting the room, but four hours cleaning it up. I used muscles I never knew I had in order to get the paint off the window sills. Though I had some experience with painting, I sure wished he would have taught me exactly what to do. It would have prevented me from making the mess, wasting time, losing money and producing extremely sore muscles. As the point goes, prevention is much more valuable than clean-up. Not only can the idea of prevention over clean-up be a work lesson, but it can also be a global lesson.

One cannot change their views of a concept, unless fed enough information or examples to outweigh what they have already absorbed. Since we are clearly on the path to successful growth, let me share an example using the environment. In a world of

environmental disaster, every day millions of people volunteer their time to pick up trash, to recycle, and to use their green bags at the grocery store. They do this because they have to; they are aware of the incredibly powerful warnings of a natural disaster with the ice bergs melting, climate change occurring, and heightened levels of pollution. Their efforts are making a huge difference to the world and they are almost to the point of causing more of a positive impact than a negative one. But why did they not follow these positive behaviors earlier? If they had prevented these problems, our kids today would know what a real breath of fresh air feels like. Globally speaking, forms of prevention are not placed on the list of priorities.

While the prevention over clean-up concept can improve any area of interest, the one we will be focusing on is money. We can prevent poor money management habits performed by the youth by educating them on money management skills. In the pages to follow, I will cover a commission process for youngsters, saving methods and goal setting for trouble makers, budgeting for the teens, and various other important lessons that would be best learned early on. All the while, I will be sharing my own life stories that brought me to these realizations. It's never too late to regain your grip on finances.

*Retirement is not a dream and success is not just a goal. You can make them both become a reality.*

## **Youthful Compensation**

I grew up getting chump change here and there. Of course I did not think it was chump change when I was getting it. Six years old and I had a whole tin can filled with dimes and nickels, I was rich! I remember every holiday my family would play cards and if any of the money fell on the floor, no one but the kids could pick it up. Mind you, I was the only kid. I had no clue what having all that money meant, but when I would go out, I would see people with money and I could tell, the more money, the happier people were. That was obvious. So I collected as much as I could, but one day my family and I went to the mall. I found this wicked ultra cool nerf gun that was the size of me and I wanted it badly. Boy did my money quickly disappear when my parents told me I had to buy it myself. In opposition to your thoughts, it did not disappear to the hands of a clerk; I never got the nerf gun. It disappeared to the other cans that I was collecting money in. There was no way I would give my money to anyone, because at the age of six, I knew more money meant more happiness. But I was not getting enough; I could be a lot happier. Unknowingly, I was teaching myself a lesson that my parents should have began teaching me. Instead of encouraging me to buy the nerf gun, that it was okay, they should have suggested and supported that I save my money.

Let's break it down for the parents here. Children learn how to count around the time they attend kindergarten. Can you guess

how they learn to count? They use money to learn how to count but they do not learn the value of what they are counting. Since the connection between counting and money is made early on, that means they need to learn the value of it through you, their parents. This results that parents need to teach their children the value of money much earlier than they used to 100, 50, 10 years ago, and parents need to set the example since they are their closest role model.

Now that you have an idea for WHEN you should start teaching them, you are probably wondering HOW you start. I can tell you now, giving them money whenever they want it or for “being cute” is not the best start, especially since they are always doing something cute - or at least I was. To counteract these indulgences I have researched and discovered that creating a commission sheet for your children works best for them and you. A commission worksheet is a page that lists their duties, or chores, for each week. Next to each task is the price that they will receive for completing the task. For example, you can have them pick up their toys every Monday, Wednesday and Friday for 10 cents each time. In addition, they can feed the dogs each day for five cents. At the end of each week the child adds up the amount they deserve for the tasks they accomplished and you give it to them. Having this commission sheet takes what they learn at school and applies it at home for further education in math, responsibility, and the value of money. In addition, you can give them a bonus for when they show hard work ethic. Now you are teaching them basic morals in a safe

and easy manner. Taking it even further, you are being a better parent yourself because you no longer have to yell at your children to do something because they now know the value of money and if they do not complete their duties, they do not get the money for them. I want to thank Brad Chaffee, the founder and creator of Enemy of Debt and who believes passionately in your ability to become debt free, for creating an access document commission sheet for anyone to use. You can obtain this resource [here](#).

### **The Commission Sheet – Beware the Wohlic**

For years I felt something was strongly brewing a storm in my conscious when it came to the “want” to make money. Everywhere I looked, I saw people striving to work as hard as possible to make money as if there were no other way to get the green stuff. After a series of conscious observations, the origin of this uneasy feeling I would get was revealed. These people I would see were taught when they were younger that they needed to work to make money. I call these people Wohlic’s (short for Woa-What-A-Work-a-holic). I could only imagine their parents never giving them any cash unless they worked for them by sorting out their office work, or taking care of miscellaneous tasks that they did not want to do. These people did not learn the importance of family and sharing. This may possibly be an “oh wow” moment for the parents reading this or a “aha that’s why I am like this” from the youth reading this, or maybe you have made this observation too. Now, you may

be thinking how I suggested to you that you give your kid(s) a commission worksheet and that is why they become Wohlics. After studying various commission sheets for children, I recognized that is true. I was determined to keep the commission sheet idea because of its powerful results. After brainstorming, I found that one addition would eliminate the possibility of your child growing up to be a Wohlic. I produced a very simple adjustment to cooperatively work with the importance of money, work ethic, and most significant, family. How is this done? I am glad you asked. By adding a bonus allowance each week of a few dollars to their commission, you are showing your kids that they are part of the family. Making this bond expresses in every way possible that the richest gift you could give them is your love and appreciation. So even if they fall short of completing their duties for the week, they still know they will be given an allowance for simply being a part of the family. Ideas like this manifest when you figure out a way of combining two different outlooks. You have those who strictly give their kids commission sheets, and you have those who are more carefree. In studying this, I have grasped the idea that the more of which you study, the more creative you can get on the subject. So if you begin to attempt this process and find it is not working out, I encourage you to contact me or do more research. I do not want you to feel that there is only one way of teaching your kid(s) these lessons. Every family is different, and everyone's incomes are different, so you need to use your own skills and creativity to construct the right commission sheet and amounts to give your kids. As a rule, always have the allowance be

more than what they earn from their duties. After all, the value of sharing and the importance of family are much more important than the lesson of working to make money right? They do not need to be stressed out, you may have given them a commission worksheet, but you never need to prevent them from being kids. Lastly, it is okay to spoil them every now and then, even at the age 19 I enjoy being spoiled -- but everything in moderation.

*“The Piggy Bank may not be full, but it sure is fun to break it.”-  
Anonymous*

### **Speaking Of Being Spoiled...**

I remember my “I want” stage. This was the stage I got my parents to spend more money on me than I am sure they earned. When kids reach this stage, everything they see, they want, and you won’t hear the end of it until they get it. What have you been doing about that? The same thing my parents did, swiping that card and getting them whatever they want. For the youth reading, I am sure you know plenty of other kids with rooms dedicated to toys and the latest gaming consoles that their parents bought them. Lucky for you, if you begin to implement the ideas and tactics to learning about money that I will tell you, you will be able to handle this stage much stronger or even pass it completely. Your kid(s) know how to make money, now it is your turn to save and teach them how to save the money they make.

*“The more you learn, the more you earn. The more you grow the more you can stow.”- Garth Beyer*

Remember, becoming educated about money is a bonding experience. One of the best tactics parents can begin with is opening up a savings account for your kid(s) and one for yourself if you do not have one yet. All banks that I know will allow you to open a savings account free of charge. For the youth reading this that do not have a savings account, ask your parents to help you open one. Encourage them that you want to save your money for a rainy day and I am sure they will be more than happy to go with you. On a side note, the only thing a bank may request you to do is to keep a minimal balance in your account, which will not be a problem if you consider the rest of the lessons I have to share. Overall, savings is utterly important with every check, every commission payment, or with every 5 dollar bill you find on the ground.

Why? Because at the stage of “wanting everything they see”, there are actually a few things they truly want with all their hearts. Sometimes they want something so badly that they are willing to save to obtain it and it becomes a goal.

“Vroom Vroom”

### **And Might I Say, Telos To You As Well**

Telos, or the purpose, end, aim or goal of something, is a Greek word I learned in eighth grade while studying Greek and Latin.

The next step in our money management process is the spring board to success. It is how to implement goal setting into your lives. You can ask any millionaire alive how they got to where they were, and each one will at least mention the importance of goals, or that they reached their goals. Well, when I was younger I used to create a list of everything and anything I wanted. Since then I have changed my format to categorize my goals. This helps me pick out what would really make me happy instead of something I just “want”. One strategy is breaking your goal sheet down into the six F’s: Faith, Family, Fitness, Finances, Friendship, and Falling Forward. After watching the 2010 Toastmasters International public speaking world champion, I was introduced into the concept of “Falling Forward”. To explain in a short version, after each person makes a mistake, stumbles, or falls while trying to achieve a goal, they learn from their mistake. Each lesson places them a step closer to having the knowledge and experience to complete their goal. Another format consideration for goals is to list goals for that day, for 90 days, for 1 year and for 5 years and maybe some very long term goals. You may create whatever goal organization you would like, just make sure to focus on what is most important. Although you can categorize your goals, this does not mean that they are successfully written. Before I continue, I never thought I would tell someone to stop reading my eBook, but after this paragraph stop! Grab a pen and paper and write a rough draft of your goals. Now. Remember, only you have the power to make this fun and reap its benefits.

*"If you want to live a happy life, tie it to a goal, not to people or things."*

*- Albert Einstein*

### **S.M.A.R.T Goals**

Now that you have your goals listed under a category you are ready to begin transforming them into S.M.A.R.T goals: Specific, Measurable, Attainable, Realistic, and Timely.

#### **Specific**

A specific goal has a much greater chance of being accomplished than a general goal. Not only does it assist you with the mindset for the correct path to accomplishment, but it also keeps your mind continually focused on it, allowing you to visualize its attainment. I am positive that either you or your children have heard of the 6 W's. What better way to visualize your goals than to ask yourself what you want to accomplish? Who do you want to be involved? Where will the completion of the goal take place? When will it take place? Which resources will it take to accomplish? And the most important question, why do you want to accomplish this goal? A specific financial goal example is that you will save \$20 dollars from each pay check and put \$10 dollars in one envelope for an emergency fund and \$10 dollars in another envelope for a vacation fund. Can you see how this would be considered specific?

## **Measurable**

Diets, workouts, to-do's, success, and finances are all measurable. You have diet trackers, workout recording sheets, check marks, happiness, and budget sheets to represent your level of success. They establish concrete criteria for measuring progress. You want to be able to keep track of your progress toward the attainment of each goal you set. When you measure your growth, you constantly reward yourself by seeing your progress. A perfect example is UW-Credit Union's online banking. On the main page of one's account UW-Credit Union presents a thermometer that keeps track of how much you have saved in relation to the money goal you had entered. Every time you log in to your account you can see how much closer you are to attain your goal as the thermometer gets filled up. You can witness and be motivated by your progress. You also feel a slice of achievement each time you complete a small step to your goal. That could be reaching \$500 dollars in your savings account when your goal is \$2000. Let yourself experience the exhilaration of smaller achievements as you keep track of your continued effort towards reaching your goal.

## **Attainable**

By reviewing and re-writing your goals, you allow yourself to narrow your goals down to the most meaningful ones. During this process you are also figuring out ways that you can make them come true, attainable. You will find that you begin breaking your

goals down and becoming more mentally creative until you discover what attitudes, abilities, and skills you need to develop to attain your goals. Goals that may have seemed far away and out of reach eventually move closer and become attainable, not because your goals shrink, but because you grow and expand to match them. Listing your goals builds your self-image. As I have come to learn, some of the most successful people in the world wake up and give themselves a pep-talk in the mirror each morning. This tactic reinforces the idea that you can achieve them, believe in yourself.

*Let your goals be the mirror that reflects your success.*

### **Realistic**

Oscar Wilde once said, “Man can believe the impossible, but man can never believe the improbable.” We often use our positive attitudes to believe nothing is impossible, but forget that nothing is improbable either. If a goal ever appears to be impossible or improbable, it simply hasn’t been broken down into smaller realistic forms. Looking back at the first set of goals you wrote, I am sure some may seem “improbable”. As you review and rewrite them, turning them into S.M.A.R.T goals, they become much more probable AND possible. To be realistic, a goal must represent an objective toward which you are both willing and able to work. You must find a balance between an easy goal and an “improbable” goal. But be sure that every goal represents substantial progress. A high goal is frequently easier to reach than a low one because a low goal exerts low motivational force. Some of the hardest jobs you will ever accomplish actually seem easy, simply because they used your passion.

## **Timely**

Time is a factor in goals measurability. Without a time frame, goals lose their sense of urgency, and with that loss, you lose motivation. You can implement this by telling those who are dearest to you when you will finish your goal. Their encouragement and accountability may be exactly what you need to get it done, especially since you do not want to let them down. Another time frame example is to give yourself one month to save up as much as you can for an emergency car fund. Forget the junk food or going out to eat for one month, and save enough money to have an emergency car fund if something were to happen. Remember the beginning of this eBook, prevention over clean-up. You want to have the money ready, instead of doing all you can do after the problem arises.

## **Be True In Your Goals**

After reading all that can be put into a goal, you may find yourself with the need to rewrite what you have written. That is fantastic! When you rewrite your goals, you focus on them more and as a result you can discover what you need to do to accomplish them. Not only that, but when you review your goals you may find that they look more like a Christmas list. By repeating the writing process, you eliminate the “wants” from “what will make me truly happy if I accomplish”. I highly suggest you review and rewrite them each week. You will be amazed at how much you accomplish once you focus on what it is that you want to achieve.

*What you focus on expands. Focus on an activity and the results take care of themselves.*

### **Goal Completion**

Wonderful! Now that you have your goals, put them somewhere that you can review them each day. I carry mine in my work binder so they are nearly always with me. Whenever I have free time I pull them out and review them. I ask myself, is what I am doing moving me towards my goals? And is this the best use of my time right now? Asking yourself these two questions will allow you to maximize your time and accomplish your goals quicker. In addition to viewing your goals daily, you can read them over each morning to offer yourself inspiration and motivation as you get the feeling of excitement of your future accomplishments. Personally, I would suggest reading them at night. Have you ever heard of those “midnight million dollar ideas”? It is all too common for people to get inspired at night and wake up with brilliant million dollar ideas. Here are the two steps to them.

Step 1: Put a pad of paper and pen by your bedside.

Step 2: Review your passions and goals. Envision them before you go to sleep. Feel the power and emotion of having accomplished your goal. When you do this before you sleep, your imagination runs wild with the closest of thoughts and because your unconscious has no limitations, midnight million dollar ideas take

place. By providing the thoughts for your dream state to use, you open a vault of possibility that cannot be opened when awake because of our limiting beliefs.

*"When we are motivated by goals that have deep meaning, by dreams that need completion, by pure love that needs expressing, then we truly live life." - Greg Anderson*

You got that A+ on your test that you put forth so much effort in studying for. You finally crochet a scarf for your loved one after spending so much time learning how to do it. You made a 25 poem manuscript after waking up each morning an hour earlier. Just writing these achievements makes me feel the kind of accomplishment a person would feel if they peeled an orange in one piece. If this had an effect on you -- just reading about an accomplishment-- imagine the feeling of actually being the one accomplishing it! I combined savings and goal setting because I know every goal of yours can be easier to accomplish if you have money. You also need time to accomplish them. We did not get the saying "time is money" from nowhere. Great thinkers and successful people use this saying because they know how to manage their money and time. They understand the principles and rewards to saving money. The more money you save, the more time you have to accomplish your goals. The more goals that are accomplished, the happier you are. The happier you are, the more passion you have. The more passion you have, the more successful you are. I call this the reverse domino effect. Instead of one domino causing all the others to fall, one positive attitude, one accomplished goal, one more dollar in the bank, constructs another building of fulfillment and happiness, and another, and another

until you're in the tallest building in the city looking out the window at the ocean with a blissful smile on your face and with a small whisper to yourself you say those three words we all desire to say – "I Love Life."

### **Since I Was Five Years Old, I Wanted A Corvette.**

Remember that story I told you about how I saved money when my parents told me I had to buy things myself? Well Instead of getting the giant nerf gun, I got a Corvette instead. With the combination of goal setting, saving, and working hard, by the age of 15 I achieved my goal. I bought my first car, a 1981 T-Top Corvette, before I could even drive it.

Parents, you have to teach your kids to invest their money, in savings accounts, certificate of deposits (CD's), or even in money markets and individual retirement accounts (IRA's). (I suggest you attack money markets and IRA's with your children after you learn from trial and success yourself, but general savings accounts and CD's are a great way to teach your children about financial investments and money management early on.) Again, this eBook is not only for children. You have to play your part as well. You can show them that CD's do improve their financial circumstances. You can show them that putting \$1,000 into a CD is beneficial, even if it only makes \$40 in six months. You can do this simply by pulling out \$40 dollars and handing it to your child. Let your child

hold it for awhile and believe it is theirs. Then take it back. It may be slightly cruel, but they are going to wish they still had the \$40 dollars. People find this small interest unworthy because they don't experience the immediate increase. Showing that they can relive that feeling that they just experienced in six months, and even a bigger feeling of joyfulness in 12 months and so on is one way to persuade them to invest. In addition, it assists in teaching children patience. They won't be able to take their money out of a CD without a penalty. The saying "patience is a virtue" gets overly used because it is overly true. You can also make saving money fun. You can tell your kid(s) that every time they reach a \$500 or \$1000 dollar mark, that you will put a certain amount of money into their account. Assist them with investing so they can see their account grow and appreciate money more...it's fun! Parents, let's face it; they are going to get the chosen amount of money one way or another, so why not make it enjoyable and educationally productive for both of you?

*"Money was never a big motivation for me, except as a way to keep score. The real excitement is playing the game." – Donald Trump*

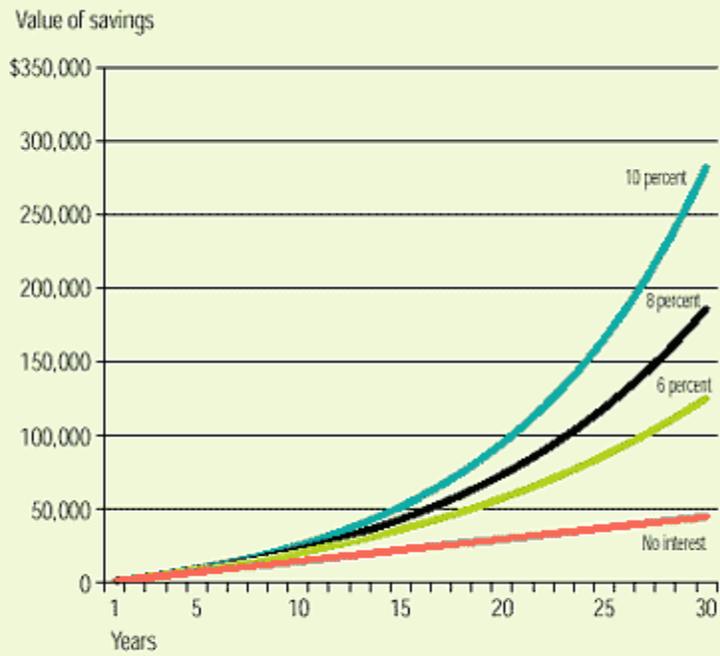
### **Time and Dedicated Effort: Worth It**

Each bank in your area has different rates for IRA's, CD's, Money Markets, Etc. You do not have to make the investment immediately, especially when you have yet to expand your knowledge of how these interests work. A small first step is to go

into the bank and ask them about what sort of investments they provide for their clients. I could tell you the details of how my investments work, but they are likely different from the bank or credit union in your area. Make the choice to take these first steps

*Get interested with the idea of earning interest!*

## The Compound Interest Advantage



Examples assume \$125 monthly deposits;  
the compound interest examples assume monthly compounding.  
[www.AtlanticFinancial.com](http://www.AtlanticFinancial.com)

## **Where Is My Money?**

Our parents are wise, full of information and words of wisdom, but they would not be able to say that if they had not made mistakes in their life. I have learned a lot from my parent's mistakes (one big reason I am writing this eBook). It became almost weekly that I would hear my dad asking my mom where his money was. He would hide it in sneaky compartments, leave it in jacket pockets, stuff it in socks in his drawers, or under the mattress; and only a very little bit of the money would end up in the bank. Over a five year span, I have calculated that he had misplaced over \$800. What is the lesson from this? You need to stay organized and always know how much you have. As much as an environmentalist I am, I take receipts from my purchases whenever I can and post them on a board so I can see how much I spent and how much items cost that I repeatedly get. If you want to be an over achiever and creative, you can create a chart for how much money was made in a week and what the money was spent on. Or you can simply keep a notebook, save the information on your phone or record it online. This allows you to closely monitor your budget and become more accurate with your daily, weekly, and monthly costs. In essence, keeping this close tracking system will assist you by allowing you to save your money rather than overspend it. Not keeping track of your money is as bad as not having any. My dad eventually became more frugal with his money since he lost it so often, by doing so I am sure he saved twofold of what he lost. So why not go lose your money in a CD?

*Empty pockets never held anyone back. Only empty heads and empty hearts can do that. – Normal Vincent Peale*

### **Time Well Spent, Money Well Made: The Budget**

Budgets are not restraining, they are a money organizational method. It is not about “what I can’t buy because of my budget”; it is “what I can buy because of my budget!” I could go on about the importance of writing a budget, but we can use our common sense for that. It is giving someone the right format, the right direction, the right formula to creating a budget that is the difficult part. Here are some quick and easy steps to creating your first budget.

#### 1. Calculate your monthly income.

If you are self-employed or do not obtain a consistent income, base it on an average, to low average amount. Before you write down the number, you have to consider what is taken out for taxes. You can use a 20% benchmark if you do not know the exact percentage. I have also found that many people have other part time jobs that they only work two, three, or six hours a week. As I have said before, everyone is different so after some practice in creating a budget you will figure out if you should put this extra small amount of income in your budget or you may want to leave it out for the first month or two to cover yourself when you make a mistake and need to spend extra money on something that was not put in your budget. Then again, details count when creating a

budget and making sure it is most accurate as possible works best for the majority of people. No one has the perfect answer for you. This will be a learning experience.

## 2. Saving

Another average percentage you can use for saving is the same amount that you take out for taxes, 20%. Some may need to begin at 10%, but try your best not to go any lower than that. You want to create a “Bob Marley Fund” – No Worries! If you can start with 10% then go up to 20%, you know your budget is working for you. In addition to your own savings account, kids need an emergency fund too, you never know when they will spontaneously want to go to get ice cream or one of their toys breaks and they want to replace it. It may not be as large as an amount as an adult would create, but it is still great practice for when they can really utilize it. Remember, prevention over clean-up.

## 3. List expenses.

Write down the cost for your expenses: groceries, bus pass, going to the movie theatre, laundry, electric, rent, eating out, and special gifts for your loved one; anything where money comes out of your pocket. Now calculate it for how much it costs per month. I began by budgeting myself as low as I thought for each category of expense. I wanted to learn exactly what and how much I could cut of my comforts and you will be amazed at how much you can cut

back and still be happy. It is a lot easier to see that you need more of something then you can see that you need less of it.

### **“This Is Not Me”**

This may have been what you said when you first wrote down your goals. After re-writing and re-viewing them you figured out what worked best for you. So treat your budget like you do your goals, review it weekly and edit it accordingly. Maybe you do not like writing your expenses and would rather list your priorities of what you need to purchase. Priorities are a necessity to consider when making a budget. As a recently experienced teenager, I would like to stress the importance of your car. Your car should be at the top of your priorities, so make sure you set money aside to fix it, for unexpected breakdowns, for insurance, for oil changes, etc. Unless you use local bus transportation, your car is your bridge to financial stability. It gets you where you need to be, to your job, or a work meeting. You may also consider budgeting extra gas money to allow yourself some freedom. Now you can drive somewhere special to you without guilt or visit family and not worry about how much gas is costing you.

We all need the basics in life and everyone who makes a budget generally has some similar items listed on them. At the same time, they have different ways of managing their budgets, everyone makes different amounts of money and it always changes. If I have

learned one thing about a budget, it is that it is a constant process. Your budget will never be the same each month because “life happens”. Money is always changing and a budget is a constant challenge to start, but through persistence, you can grow your bank account to an amount you may have thought to be improbable, all because you focused 20 minutes a week on a budget.

### **The Happy Life**

As we come to a close to this eBook, I would like to splatter some other ideas for you to consider about money management, family, work, and life. Instead of waiting to share more of the lessons I have learned, I know the value of prevention over clean-up. So hopefully reading the rest of this eBook will inspire you to follow my blog and catch more of these lessons in detail, ask questions, and view my newest content.

- **Tell kids about insurance, loans, and keep them in the scoop.**

I did not know I had to pay a monthly expense when I purchased my first Corvette. Nor did I know the price it took to purchase license plates or the amount of money it took to store it in heated storage for the winter. I can say that I bought my Corvette on my own, but I did not keep it on my own. I have my parents to thank for pitching in so that I could keep it. If it were not for their assistance in “cleaning up”, I would have been angry at them for

neglecting to tell me about those expenses. The same goes with insurances. I was never taught the different type of insurances there are, life, auto, rental, flood, etc. Not only do I wish I knew these things earlier on so that I could save money up for them, but also so I knew what I was getting myself into when I moved out on my own. Parents, it is your responsibility to tell your children about these “life expenses”. They do not know to ask about them. Although, you do want to be careful of how early you sit them down and tell them about it. It is not wise to tell them too early about all the expenses you pay for yourself and for them. This can lead them to feeling extremely guilty and they may never ask you for anything because they know how much you are costing them. (Insurance is not cheap!) So I have a great idea to help implement these concepts at home. I call them “problem-solving skills with bills”. Parents often come across a time that their electricity bill exceeds what they have written in their budget. Instead of yelling at their kids to turn the lights off when they are not in the room, sit them down, show them the bill and tell them that if they can make the bill 15, 20, or 30 dollars cheaper next month that you will surprise them with a gift, or take them out for ice cream. Not only will it help you as parents, but also your connection with your children since you are no longer yelling at them to turn the bathroom light off at night when they are still afraid of the dark.

For you love birds out there, learning how to establish a money relationship with your parents will assist you with creating one

with your soul mate later on. There are more benefits to money management that I am still learning.

- **Job's, Career's, and It's No Longer Work**

No job is a commitment, but happiness is. Getting yourself out there and taking whatever you can allows you to learn a lot. I have learned more from the jobs that I extremely disliked than I have the ones I have really enjoyed. And for the parents who have forgotten the saying, “everyone quits their first job”, remember that no matter how soon from the start that they quit, they learned something. Is that not what all job's are? Learning and performing until you are ready to learn and perform the next thing?

Advisory: Do not abuse your body to make money. Money is not a physical substance; it is a material substance that can be crunched, and rained on and still be worth its value. Our bodies are physical entities that we should take care of. I have worked in the painting and construction business for seven years and got out before I did any permanent damage to my body. Do not get me wrong, these sort of jobs are wonderful to make ends meet, or to provide a bonus in your income. For some people physical labor is their passion, but they can still do it the smart way by working out for strong muscles, wearing back braces, learning the proper way to lift and carry objects, etc. Still, do not abuse your body or you may come to find that the years you spent slaving to make the big money, is now being used on medical bills and physical therapy. The biggest lesson to take from this is to work smarter, not harder.

Do you know how strong a goat is? Have you tried holding one back or directing it into another pen? I recently volunteered at a farm and we needed to move goats from one pen to another. I am a strong guy but it still took a lot of energy to grab hold of the goat, direct, push and be pushed, to get the goat into the other stall. After exerting a lot more energy than I anticipated, another volunteer came over with a bucket of food. She shook it, opened the door fully and then began walking to the other pen. You know what happened? Every goat followed because they knew she had food. Lesson learned: work smart!

To reiterate, I have frequently mentioned the value of prevention over clean-up, and would now like to discuss its importance with one's career. Children are always asked, "What do you want to be when you're older?" The people listening to the answers always respond with how fun that career sounds, that it is a great career, or simply telling them to do what they love. Rarely do they share with them the steps to getting them into the career they want. I know I wanted to be in the Senate, but I did not know how. I was not set up for that sort of success. Parents need to tell their kids what they need to do to do acquire the career's they desire. I think we can call this talk "Goal Setting 101". Parents, you have the ability to prevent your kids from ending up in careers they hate by teaching them how to achieve what they want, by giving them small steps: reading a book on government, mailing your current senator, getting them involved in student council at school. Just as it was

with insurance's, kids do not know any better to ask how to get to where they want to be.

Lastly, remember what Confucius said, "Choose a job you love, and you will never have to work a day in your life."

- **You don't have to suffer now to be happy later**

Do you recall how I skipped out on purchasing that big nerf gun, saved my money and got a Corvette? Well, using that same process, I have saved up money to invest in an IRA. I am reaching my goals one step at a time and even finding that my goals are all interrelated. I wanted to retire a millionaire, but I also wanted to have the Corvette. Now I am able to get both. You do not need to suffer long periods of time to get something you want, we are all capable of doing it in intervals. You need to enjoy life because time goes by too fast to wait for your retirement fund, especially when you are now on your way to succeeding in your youth. You can take steps to retiring a millionaire. One. Goal. At. A. Time.

**Congratulations** on taking the first step by reading this eBook. I hope you learned the most important factor in success; communication. Now I want to encourage you to either share it with a friend or read it again while asking yourself after each chapter "how does this relate to communication?" You rock for taking the first steps at prevention over clean-up, no matter how little the steps may be.

**The End**     © 2012 Garth Beyer for [www.GarthBox.com](http://www.GarthBox.com)