Managing Your Finances: Step by Step

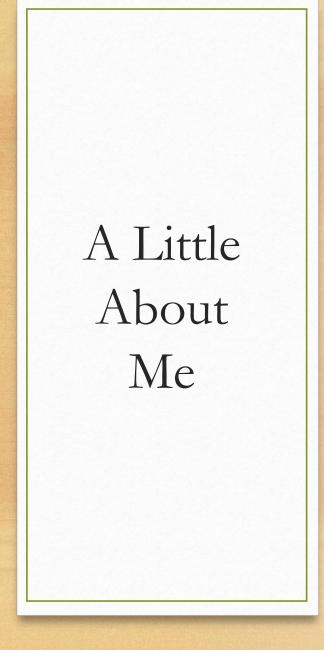


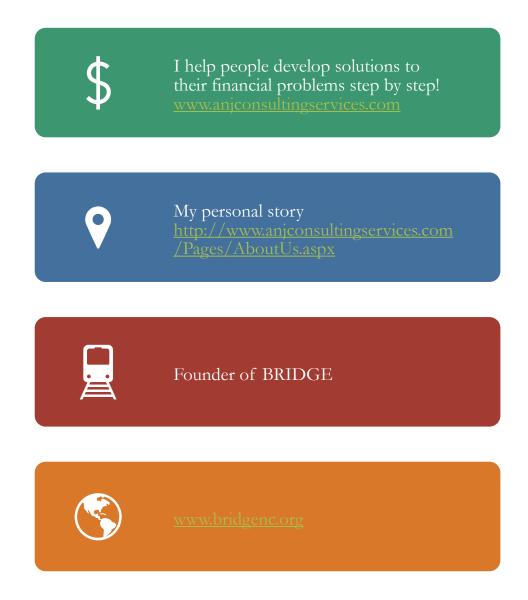
Dr. Andrea N. Johnson, ANJ Consulting Services

Jacket Parent Academy

Lexington City Schools

April 19, 2023





Budgets-How Much Do You Need?

- Write down everything you spend.
- Save all receipts and record your total at the end of the month.
- Update the numbers in your budget with what you actually spent.
- Review your budget to see where you are overspending.
- Make realistic adjustments to your budget and begin the process again for the next month.



Sample Budget

Reprinted from "Step by Step: How to Improve Your Credit Scores", Andrea N. Johnson, Ph.D., 2017. ANJ Consulting Services

Susie's Monthly Income	\$2,500	
Susie's Expenses		
Fixed Expenses		
Charity	250 1st	
Utilities	80 2nd	
Car Payment	400 2nd	
Rent	475 2nd	
Student Loan	300 2nd	Total \$1865
Credit Card 1	200 3rd	
Cell Phone	80 4th	
Car Insurance	60 4th	
Rental Insurance	20 5th	
Cable/Internet	90 10th	
Life Insurance	60 11th	Total \$450
Credit Card 2	100 13th	
Personal Loan	200 15th	
Variable Expenses		
Groceries	100	
Hair maintenance	200	
Entertainment	150	
Clothing	100	Total \$850
Gas (automobile)	150	
Miscellaneous	150	
Total Expenses	2805	

Copyright 2023 ANJ Consulting Services

Emergency Fund



An emergency fund refers to the amount of money you should have set aside in the event you lost your job.



Some experts say you should have 3 to 6 months of an emergency fund (living expenses) set aside. Others say 8 months.



If Susie spends \$2,000 per month, how much would she need in an 8 month emergency fund?

Copyright 2023 ANJ Consulting Services

Managing Credit & Debt

- Pay all expenses/debts on time if you can
- Understand the terms and conditions if you defer debt payments
- Call credit card companies to have interest rate reduced
- Pay minimum payment if needed
- Beware of debt settlement companies
- Beware of credit repair scams
- Contact student loan lenders
- Have a plan for extra income

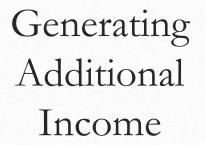
Checking Your Credit Report

You are entitled to 1 free credit report every 12 months from all 3 of the reporting agencies through www.annualcreditreport.com You do not have to sign up for trial offers in order to receive your reports.

Credit Karma (Equifax & Transunion free scores and reports) www.creditkarma.com

Experian (free credit report only) <u>www.experian.com</u> Choose free Experian credit report option)

Freeze your credit (all bureaus)





Work from home opportunities such as LinkedIn, Simplyhired, and Indeed (Beware of scammers)



Leverage your skills to create a business. Get help if needed (business and financial coaches, SBCs, etc.).



Protecting
Your
Finances

Liability insurance

Proper business entity

Disability insurance

Life insurance

Estate planning

Questions

Email questions to andreaj@anjconsultingservices.com or call (336) 476-4710

For additional services <u>www.anjconsultingservices.com</u>

Follow ANJ Consulting Services on social media:

Twitter: @anjconsulting

Facebook: ANJ Consulting Services

Instagram: @doctoroffinance

LinkedIn: Andrea N. Johnson, Ph.D.

Thank you for your time!