

Mindful Money Management

A financial planning workbook for young adults

Presented by Oregon State Credit Union and Keep Oregon Well



Oregon State
Credit Union

KEEP OREGON
WELL! 

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FINANCIAL WELLNESS

A healthy budget takes into account more than just finances. Financial wellness is defined as: **being in control** of your daily and monthly finances, **having the security** to be able to handle an unexpected expense, **freedom to make choices** that allow you to enjoy life and **being on track** to meet your long-term financial goals.¹ Once your basics are paid for, consider how your budget allows you to: have fun, help others, build connections with others and continue to learn. Being good with money is as much about your habits and emotions as it is math. You don't have to be "good at math" to be good with money.



What about you? What does financial wellness mean to you?

Family Matters

It is important to acknowledge that we do not all start out in the same place financially. Some families have enough money for the things they need to live, but many do not. Some grew up watching their families struggle with finances, while some were more comfortable. The lessons we learn from the people who raise us (parents, caregivers) can often unknowingly shape how we operate our own finances.

Think for a minute about the messages you received from your parents/caregivers about how to handle money. Most people can identify things they learned from family members that they do not want to duplicate in their own lives. And some can identify examples they would like to imitate once they are financially independent.

Write down some messages you received from your family about money.

In many families, there is a need to financially support other members who are struggling to make ends meet. Is this something you think you should consider as you plan for your financial future? Write any considerations below.

¹ *Your Money the Missing Manual*, J. D. Roth

WELCOME TO REALITY

You have been given a chance to fast forward and meet your possible future self. Take a look at how the choices you make today will have an impact on that future self. Will you thank yourself or not? The choice is yours.

We have created a way to test what your life could look like based on education and lifestyle choices. Can your budget (based on your expected education level) support the lifestyle you think your future self desires and deserves? Take a minute to find out.

Each page will give you a series of choices about real life experiences. What kind of housing will you choose? Do you want pets? How do you feel about travel? Remember you are not answering for your current reality but rather for your future self.

Based on the education level you expect of your future self, you will have a certain amount of points. Use those points to tally up your life choices and see how you rank on our Peace of Mind scale. It's okay if you need to go back and make changes. Most people do.

The goal is to make it through the month making choices that align with your values but don't cause you to overspend your budget. Peace of mind comes when your savings are at least 20% of your total points.

As you move through the workbook, some of the categories are required and you must make a selection.



You might consider a smaller monthly amount to save up for what you really want: grooming, clothing, travel, or gifts. Keep in mind your “happiness budget” as you go through. A well-rounded happiness budget takes into account: basics, love and friendship, helping others, leisure and fun, respect and pride, being good at something and being in control of your life.² Some of these items might not affect the bottom line of your budget at all, but they are all important to consider as you make choices that will affect how the next few years play out. Some examples of things that could improve your “happiness budget” without hitting your financial budget include:

- Physical activity
- Spending time with friends
- Hobbies and leisure activities

SELECT ONE OF THE POINT LEVELS BELOW BASED ON YOUR EDUCATIONAL GOAL

High School Diploma..... 1,525 points

Career Technical, Trade School,
or Associates Degree 1,770 points

4 Year Degree 2,430 points –420 points for student loans = 2,010 points

Master's Degree 2,879 points –560 points for student loan payments = 2,319 points

Professional Degree 3,735 points –1,600 points for student loan payments = 2,135 points

Write your starting points here ➡

SAVINGS

Go Big?

Who wants to save? You don't want to miss out on anything, besides, you can't take it with you so why even bother saving? Let's spend and have a good time!

Maybe ... not quite

Save, save, save! Experts say a minimum of 20% from each paycheck should go directly to savings. When emergencies happen, you'll have money to cover the unexpected. Set aside as much money as possible towards your saving goals, and don't forget to save for retirement.

Facts to consider

Voice of reason

Saving money is important, but like any other life skill, for most of us, it is something we must learn to do. Perhaps you've never developed the skill or set a savings goal. Professionals recommend building an emergency fund, saving for big-ticket items and saving for retirement.

True cost of savings

Without a sizable emergency fund, you may find yourself relying on a credit card to cover unexpected emergencies. Experts say to save 3-12 months of expenses in an account for those inevitable flat tires, burst pipes and dead batteries. As for retirement savings, the younger you start, the better off you will be when the time comes. Saving needs to become a priority, and your future self will thank you for it!

PEACE OF MIND FACTOR

Life happens. Your car breaks down. Your pet has to go to the vet. You drop your phone in the toilet. When you have emergency savings, a "life emergency" doesn't automatically become a "financial emergency."

If at all possible, have your savings direct deposited into a savings account from your paycheck. If it never enters your main account you won't even miss it! Savings is NOT an expense; it's the money you're setting aside for your own future. However, it's also money that you shouldn't spend on other things each month, so it gets taken out BEFORE you do your monthly budget.

SAVINGS CHOICES

pick one



Just throwing
coins in a jar

5 points



Making a small
effort to save

10 points



Putting serious
money away

10% of your
starting points



Emergency savings,
big-ticket items,
and retirements

20% of your
starting points

Starting points ➡

minus

Savings points ➡

equals

Remaining points ➡

-

*

=

* Use this number when calculating your final savings points on page 22

HOUSING

Go Big?

Your home says a lot about you. Why not have it say you're fun, hi-tech, trendy and super rich?

Maybe ... not quite

You know this isn't your forever home! Most of your friends are also living on a shoestring budgets and understand the need to not break the bank on housing. Plus everyone needs stories about crazy first apartments.

Facts to consider

Voice of reason

You probably won't live here forever. It's totally okay to have a "dream home" that you are working toward someday and a "starter apartment" that does the trick for now.

True cost of housing

Experts say your monthly housing cost shouldn't be more than 25% of your take-home pay. Keep in mind the bigger the space, the bigger the monthly maintenance costs like electricity and heat.

PEACE OF MIND FACTOR

Living closer to where you work might allow you to cut down on transportation costs, but might increase your housing costs. You know yourself best. Do you want to live on your own, or would you prefer the built-in friendship of a roommate?

If you opt for the roommate, make sure you pick wisely. You need someone who will pay their half of the bills ON TIME!

HOUSING CHOICES

pick one



Living with relatives

0 points



2 bedroom with a roommate

355 points



Studio apartment

600 points



Two bedroom by yourself

710 points

Previous remaining points ➡

minus

-

Housing points ➡

equals

=

Remaining points ➡

UTILITIES

Go big?

Living alone? Best make sure everyone knows you're home, so turn on all of your lights, radios and TVs, and stream as many things on the Internet as possible.

Feeling cold? Don't put on more layers, just turn your heat up, and, like magic, you'll be warm again!

Maybe ... not quite

You had no idea heat could cost that much! All of a sudden you are glad you thought to pack that cozy old sweater and wool socks when you moved out. It might not be the height of fashion, but comfort wins out over style on a cold winter day.

Facts to consider

Voice of reason

Remember when your guardians would tell you to put on a sweatshirt, socks or a jacket to keep warm? Well, they wanted to keep more money in their pockets for other things, like feeding you. Energy usage is a monthly expense that you have some control over. Use it wisely.

True cost of utilities

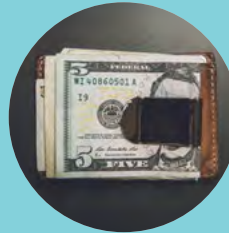
Be mindful that in the summer your electricity bill may increase due to fans or air conditioning, and in the winter your natural gas bill may increase to keep the house warm. Plan ahead for these seasonal changes in your monthly budget.

PEACE OF MIND FACTOR

While living on your own for the first time might make you want to leave the TV on for background noise or have every light in the house on, remember that if that first bill comes in higher than you were expecting, you can make a different choice in your utility usage.

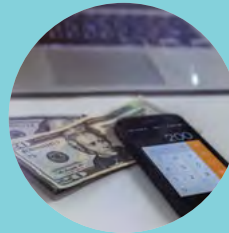
UTILITIES CHOICES

pick one



Splitting all utilities with a roommate

145 points



Responsible for all utilities

290 points

Previous remaining points ➡

minus

-

Utilities points ➡

equals

=

Remaining points ➡

FOOD

Go big?

How about taking the night off from cooking, every night? Eating at restaurants can be a fun social experience that you don't want to miss. Best of all, if you offer to pay, your friends will surely come along!

Maybe ... not quite

You love to cook! It's a great excuse to gather friends around. Taco night with everyone bringing one topping? Does it get better than that? With a little time to plan out meals, dinner time is so much less stressful and its never a question of "What's for dinner tonight?"

Facts to consider

Voice of reason

Food is fuel, right? Yes, we want it to taste good, but choosing food full of nutrients and vitamins gives both our bodies and our brains "premium" fuel. But does that mean we only shop at high-end supermarkets? If you want to eat healthy, less expensive and discount grocery stores also have healthy and organic options. Find markets that fit your lifestyle and your budget. That hand-me-down old crock pot might become your new best friend.

True cost of eating out

Did you know that experts estimate the cost of eating outside the home is five times more expensive than cooking at home? Perhaps investing in a cooking class or two would be fun, educational, and save you money in the long run.

PEACE OF MIND FACTOR

Preparing your own food takes additional time and planning, however, it gives you the most control over your diet and budget. With access to the internet and a little planning, your at home dining choices are limitless.

FOOD CHOICES

pick one



Prepackaged
foods

175 points



Cooking
at home

345 points



Eating
out

500 points

Previous remaining points ➡

minus

-

Food points ➡

equals

=

Remaining points ➡

TRANSPORTATION

Go big?

Brand new, six-foot lifted trucks, lowered street racers, gas guzzling SUVs and super fun convertibles are the cars the cool people drive.

Maybe ... not quite

A big car payment sure makes that car seem less cool. You need a way to get from point A to point B. If you want a car, can you save up and pay cash for an older but still reliable car?

Facts to consider

Voice of reason

Do you need to own and drive a car on a daily basis? What about public transportation or ride-sharing companies? Sure, walking or biking in the rain can get cold and wet from time to time, but we do live in the Pacific Northwest and, last we checked, rain boots, jackets and umbrellas are still "it" things to have.

True cost of transportation

Unless you paid cash for your car, you may have a car payment. The average car payment in America is now more than \$500 per month, and owning a car is more than just a car payment. You need insurance, gasoline and money for maintenance like oil changes and the occasional new set of tires. Oh, and don't forget studded tires or chains for winter driving, too.

PEACE OF MIND FACTOR

Peace of mind means knowing you have reliable transportation to get you from point A to point B, whatever form that takes. Having a car means you might be able to have less expensive housing with more of a commute. Commutes can give that time to transition as well as offer time to listen to podcasts or audiobooks, but it might also impact life beyond school and work.

Pick the transportation that gets you where you need to go, but leaves room in the budget for unexpected expenses.

TRANSPORTATION CHOICES

pick one



Walking

0 points



Riding a bicycle

93 points



Public transportation

100 points



Used car payment, gasoline, and maintenance

400 points

Previous remaining points ➡

minus

-

Transportation points ➡

equals

=

Remaining points ➡

INSURANCE

Go big?

You need at least two bazillion dollars of coverage for all of the items crammed into your studio apartment. Seriously, just pay up and don't worry about a thing, come on!

Maybe ... not quite

Flood, fire, theft: that stuff only happens to other people. What's life without a little risk? Let everyone else get renter's insurance. You'll be fine without it.

Facts to consider

Voice of reason

Insurance can feel like a foreign language, but it doesn't have to be. You need enough insurance to cover the replacement cost or damage repair for your vehicles, possessions, home and/or identity. Young people usually have car insurance if they are driving their own vehicle and renters insurance to replace their possessions should theft or fire destroy them. Remember, you get what you pay for! Shop around for rates and the right coverage to make sure you are not underinsured or paying too much.

True cost of insurance

If you are driving a vehicle, you must have car insurance. It is against the law to drive without insurance. If you are renting your own place and the home burns down, the landlord's insurance policy will not cover your possessions. You need to cover your personal belongings. Renters insurance isn't that much money per month and, in fact, is a lot less money per month than paying thousands of dollars out of your own pocket to replace all of your belongings should a disaster ruin everything.

PEACE OF MIND FACTOR

Insurance is designed to pay for items that you can't afford to repair or replace with cash. So keep that in mind when shopping for insurance. Know also that your credit score will affect the price you pay for insurance. The better the score the less you pay.

Identity theft is a growing crime. The average victim spends six months cleaning up their lives after the fact and describes the process as a part-time job. ID theft insurance in an inexpensive safety net.

INSURANCE CHOICES

pick one



ID theft insurance

7 points



Renters insurance

15 points



Auto insurance

111 points



Renters and auto insurance

126 points

Previous remaining points ➡

minus

-

Total insurance points* ➡

equals

=

Remaining points ➡

**You can combine options*

PHONE & INTERNET

Go big?

Don't be caught with a dumb phone! How are you going to order pizza with your thumbprint on a dumb phone? Don't be left behind actually calling people instead of using social media. Yuck! And remember to have a solid Internet connection, because sending videos back and forth while binge watching your favorite TV show can sure eat up your internet speed.

Maybe ... not quite

Ask yourself what you need in a phone? That dumb phone makes calls and sends regular text messages at a fraction of the price of a smartphone. And when the phone bill comes after a month with a few unplanned expenses, all of a sudden that choice seems a lot less dumb.

Facts to consider

Voice of reason

Ask yourself what you really use your phone and home internet for. Are you streaming movies outside a Wi-Fi connection and need a large data plan? How about surfing the web at home? Look at your usage, and find the best plan for you. After looking at your usage, you may decide to cut back in an area or two.

True cost of smartphone ownership

The latest and greatest smartphones come to market rather frequently. Just because it's new doesn't mean it's the best fit for you or your budget. Does your trusty late-model smartphone, just purchased a year and a half ago, still work? Why replace it with a newer \$700 expense? Remember, the upfront cost to acquire a smartphone is significant, and it may require more data, which might equal a higher monthly bill. And, what if you ever need to cancel your smartphone contract? Often there is a large penalty for breaking a contract, too.

PEACE OF MIND FACTOR

More and more people are transitioning away from landlines. Having a mobile phone might be the best way to keep in touch with people, and not having to pay long distance is an added bonus. It is considered by many to be a necessity, but like all necessities, there are levels. Enjoy the peace of mind a mobile phone brings, but don't let it bust the budget.

PHONE & INTERNET CHOICES

pick one



Basic
cell phone

16 points



High-speed
internet

30 points



Smartphone

85 points

Previous remaining points ➡

minus

-

Phone & internet points ➡

equals

=

Remaining points ➡

HOUSEHOLD GOODS

Go big?

If you are going to move out, go big or go back home. Moving out on your own means you're an adult, and your house should look as close to a high-end design catalog as possible or no one will want to hang out with you at your home.

Maybe ... not quite

Garage sales! Thrift stores! Secondhand shops! It's like a scavenger hunt. You never know where you will find that perfect piece of furniture. And at rock-bottom prices. Score!

Facts to consider

Voice of reason

Think about the house you grew up in. Does some of the furniture have a history, like the desk that was passed down, the coffee table with "character" or the dining room table you helped refinish? You can give new life to furniture, or use the well-loved pieces you may be gifted when you move out.

True cost of new furniture

Don't spend thousands on new furniture for the bedroom, dining room, living room, bathroom and office all at once upon moving out. Instead, visit an inexpensive retailer or secondhand store to acquire a few key pieces. Besides, you might get some hand-me-downs. They may hope you really like that old handmade desk!

PEACE OF MIND FACTOR

Just like your first housing arrangement won't be your dream housing, your household goods might not scream YOU to everyone who walks through your door. That's ok. It's actually much easier to sleep on a lumpy bed that fits your budget than that luxury mattress that broke the piggy bank.

HOUSEHOLD GOODS CHOICES

pick one



Garage sales

50 points



Retail stores

150 points



High-end furnishings

500 points

Previous remaining points ➡

minus

-

Household goods points ➡

equals

=

Remaining points ➡

PETS

Go big?

Who doesn't love a dog or cat, or seven...of each?! In fact, who doesn't love horses, boa constrictors, goats, exotic monkeys or any other animal for that reason? You should really start a zoo...life without pets is no life at all. Pets reduce stress, offer companionship and are fun to be with. People who don't have animals are not fun to be around. Don't be one of those people.

Maybe ... not quite

There are a lot of reasons not to own a pet. Maybe you have allergies, or you just aren't a pet person. There is nothing wrong with that. In fact, that makes being gone all day at school or work, or even leaving town for a few days, so much simpler.

Facts to consider

Voice of reason

Struggling to make your rent payment and buy enough food for yourself? If you bring Fluffy home in the midst of your struggles, perhaps Fluffy would go hungry, too. It's best to have a plan for how to adequately take care of a pet, as pets have similar needs to people. They cost money, just like it costs you money to house and feed yourself.

True cost of pet ownership

Adoption fees and food, right? That's just the beginning. What about yearly visits to the vet for check-ups? And if they ever get sick, that could mean more bills from the veterinarian. If you want to take a vacation, who will watch your dog or cat to ensure they're taken care of and happy in your absence? Some landlords are also starting to charge monthly rent for pets, not just a deposit. Last thing to consider: What if they ruin your carpet, furniture, or—worse yet—injure someone? There are a lot of costs to weigh with pet ownership that go beyond the initial adoption and food stages. Take time to research the kind of animal you want and the average monthly cost.

PEACE OF MIND FACTOR

For many people their pets are their family. They couldn't imagine life without the companionship. However, if your budget just doesn't have wiggle room for a pet, consider some alternatives. Could you walk dogs for the local humane society? Maybe you could foster a pet. Just because the budget doesn't have room for all you want doesn't mean you can't find a creative workaround.

PETS CHOICES

pick one



No pet

0 points



Fish tank

4 points



Dog or cat

98 points



Multiple pets

196 points

Previous remaining points ➡

minus

-

Pets points ➡

equals

=

Remaining points ➡

GIVING

Go big?

You know what its like to fall on hard times. Think back: Would you have appreciated a little monetary help? Open your heart and wallet to help all of the causes you care about!

Maybe ... not quite

Don't sacrifice your life to help other people; take care of yourself first! It's your money, and you worked hard for it. You do what you want with it!

Facts to consider

Voice of reason

You're a giver, that's who you are. Wonderful! Maybe you like to give when disasters strike, or support homeless shelters, animal rescues or everyday people in need. Work your budget and see how many dollars you can give away per month while still reaching your financial goals.

True cost of giving everything away

One word of caution to all of you givers: Don't give everything away until you have nothing. Perhaps you've heard the pre-flight safety announcement that reminds adults to secure their own oxygen masks before helping others? Same goes here. Think long and hard before giving anything other than your time and compassion if you yourself are broke or in need of financial help. Remember, you need to take care of your own finances first, with a long-term goal of setting yourself up to be able to give and increase the amount over time.

PEACE OF MIND FACTOR

Perhaps giving is a core value of your belief system. Perhaps you have read the studies that there is no such thing as selfless giving because the giver always gets more back. Giving also helps fight the scarcity mindset that says you don't have enough. In fact, a common belief held by wealthy individuals is that giving money to others is something people should do.³ But, remember that giving doesn't have to be financial in nature. What talents do you have that could serve others? Can you use them in a volunteer capacity?

3 *Wired for Wealth*, Brad Klontz, Ted Klontz, Rick Kahler

GIVING CHOICES

pick one



Volunteering

0 points



One time financial gift

25 points



Recurring financial gift

75 points

Previous remaining points ➡

minus

-

Giving points ➡

equals

=

Remaining points ➡

GIFTS

Go big?

You are THE friend to have. You know what each friend treasures, and you spoil them on special occasions. You've never let anyone down, and you can't stop now! Don't skimp out, buy them that smartwatch!

Maybe ... not quite

Gifts aren't your love language, and that's okay. Your friends know how much you care about them. You show your care through your presence without needing to give presents.

Facts to consider

Voice of reason

Friends should be friends regardless of what gifts you can buy for them. Consider the value of a friendship if it is based on what you can buy for someone.

True cost of buying everyone gifts

Buying gifts can be a very rewarding and fun thing to do; all a person needs to do is budget the expense that comes along with it. If you know how many people you want to buy gifts for and about how much you would like to spend on an annual basis, divide the total amount by 12 (for the 12 months in a year) and save that amount every month. That way, people will still enjoy the thoughtful gifts you give them, and you'll protect yourself from overspending.

PEACE OF MIND FACTOR

Giving and receiving gifts are some people's love language. If that is you, gifts is a necessary line in your budget. Your budget should reflect who you really are and what you value. Just make sure to budget for this area and don't let it push out other necessary items.

GIFTS CHOICES

pick one



Handmade
gifts

10 points



Moderately
priced gifts

25 points



High-end gifts

75 points

Previous remaining points ➡

minus

-

Gifts points ➡

equals

=

Remaining points ➡

TRAVEL

Go big?

The world is at your fingertips! Your bucket list of must see places is a mile long. Get ready to update your social media with amazing travel pictures of the awesome spots you'll visit! Grab your selfie stick and fly first class because you deserve it!

Maybe ... not quite

Do you really need to travel the world when you could experience it from the comfort of your own couch thanks to the discovery channel? You've seen the shows about all the deadly animals, and you are more than happy to curl up and eat popcorn while someone else has to deal with them.

Facts to consider

Voice of reason

It has never been easier to travel the world and there is of lot to see! If you're into that kind of activity, traveling to fun and exotic places around the globe is an exciting adventure. But what's even better than taking the vacation of a lifetime is making sure that vacation doesn't follow you home, financially speaking. Sure, you may not be able to take a tour of Europe within a year of moving out on your own, but that doesn't mean you'll never get there. Save up and pay cash for the trip. No wants to have pictures from a trip pop back up, and realize they are still making payments on that trip a year or two later.

True cost of vacations

First, pick your destination, and logically think of all the expected expenses like plane tickets, lodging, tourist attractions and restaurants. Then, consider the not-so-fun expenses of luggage fees, travel taxes, possible visa fees, parking expenses, shuttle or taxi expenses and souvenirs. Now what you thought was relatively inexpensive just became very expensive. When planning for a vacation, take into account all the expenses you may encounter.

PEACE OF MIND FACTOR

Research shows that in general, experiences grow in value as you look back with fond memories. So if traveling is something you would enjoy, make a plan to visit those far off places. Create a savings account nicknamed the destination of your choice and add to it with every paycheck. There is absolutely no reason you can't travel the world, but know you will enjoy it more if it's paid for beforehand.

TRAVEL CHOICES

pick one



Day trip

40 points



Weekend travel

390 points



Disneyland

500 points*

**per month for 3 months*



Tour of Europe

1,000 points*

**per month for 6 months*

Previous remaining points ➡

minus

-

Travel points ➡

equals

=

Remaining points ➡

EXERCISE

Go big?

Your body is a finely tuned machine! You are always down for a push-up contest. This physique didn't happen by accident. You put a lot of time in at the gym and you are proud of what you have accomplished.

Maybe ... not quite

You wouldn't call yourself a couch potato, after all if you had to, you could find those running shoes that have been buried in the back of the closet since you moved in. Its not that you don't see the value of physical exercise, but you'll admit its not your highest priority right now.

Facts to consider

Voice of reason

Physical activity is important for both physical health and mental wellbeing. Research has linked physical activity to reduced depression as well as cognitive decline. It doesn't have to be hours at the gym everyday, but consider streaming exercise videos in your own living room, going for a walk at lunch time, taking a class with friends or joining an intramural sport.

True cost of gym memberships

Gyms know they will see a rush of new clients after New Year's Resolutions, but by February the parking lot has plenty of spaces. They plan on this, but often lock people in with an annual contract. Depending on the type of workout, you might need to buy the gear that goes with it, sometimes classes cost more, and make sure you take into account the commute time. If your goals also includes changing your physique, remember to budget for a new wardrobe too.

PEACE OF MIND FACTOR

Physical health impacts so much more than just your physical wellbeing. However you choose to pursue this aspect of your wellbeing, think about what your future self would appreciate.

EXERCISE CHOICES

pick one



Go for a run

0 points



Exercise video

5 points



Group classes

20 points



Gym membership

55 points

Previous remaining points ➡

minus

-

Exercise points ➡

equals

=

Remaining points ➡

GROOMING

Go big?

Beauty should not be in the hands of generic, discount merchandise or amateurs! So let's focus on the trendy haircuts, colors and beauty tricks! When you look good, people want to be seen with you, so you'll be super popular with lots of beautiful friends.

Maybe ... not quite

You are comfortable in your own skin. You don't need to spend a fortune on personal grooming. As long as you can keep your hair out of your eyes, you're good.

Facts to consider

Voice of reason

Perhaps you can find a less expensive option for the results you seek. Do you know someone in beauty school or just starting out who will give you a deal on the services you're looking for? Or, could you watch some YouTube videos and learn how to cut your own hair with scissors or hair clippers? What about clipping coupons or hitting sales around town at various shops?

True cost of expensive grooming

Spending \$150 a month on grooming products or services can make just about anyone look and feel like a million bucks, but what if you invested \$150 a month into a retirement account and started your path to a million actual bucks? It's true, it can happen! Would you rather look like or have a million dollars?

PEACE OF MIND FACTOR

How many people are going to be snooping in your bathroom to see whether or not you use name brand products? The right generic brand might work just as well. As long as you're satisfied with the end result, does it really matter that you found a less expensive alternative? Feeling good about how you look can do wonders for your mental outlook as well.

GROOMING CHOICES

pick one



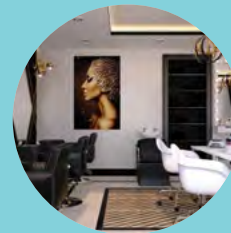
Do-it-yourself
haircuts

11 points



Inexpensive salon
or barbershop

30 points



High-end salon
or barbershop

150 points

Previous remaining points ➡

minus

-

Grooming points ➡

equals

=

Remaining points ➡

CLOTHING

Go big?

The hottest trends are out, and you do not want to be left behind. You can't be caught in public wearing last year's fashions!

Maybe ... not quite

The best thing about second-hand clothing? You don't have to worry if it will shrink in the wash and not fit. Not to mention your clothing budget will stretch so much further.

Facts to consider

Voice of reason

Clothing is considered "used" after just one day of wearing. Secondhand stores and thrift shops are full of clothes that have been worn once, twice or even never if their tags are still attached. You can find name brand and designer clothes for a fraction of the price.

True cost of full-price clothes

That pair of jeans you bought at your favorite boutique for \$150, those boots for \$85 and the top for \$45 all total \$280. Enjoy the brand new feeling once, maybe twice, and then settle into the used feeling shortly thereafter. And let's just hope nothing spills on your \$280 outfit—that would be terrible! Or, you could be a savvy shopper at a thrift store or just take advantage of sales and coupons. That way if something happens and your clothes are destroyed, it's not nearly as stressful because you didn't pay as much for them.

PEACE OF MIND FACTOR

Having a closet or dresser that is overflowing actually creates added stress. That is the last thing you want. And, truth be told, there is a wide range of clothing options. Maybe you don't want to shop thrift stores but you can still get great clothes if you are strategic about sales and coupon mailing lists. Think about classic pieces that will serve you well for years to come.

CLOTHING CHOICES

pick one



Thrift store

40 points



Discount retailers

80 points



Designer clothing stores

200 points

Previous remaining points ➡

minus

-

Clothing points ➡

equals

=

Remaining points ➡

ENTERTAINMENT

Go big?

Vacations, concerts, professional ball games, flashy nights out—that’s what fun lives are made of. People will wish they were friends with you with the amount of fun you have!!

Maybe ... not quite

You know what having a good time looks like to you. Flashy isn’t your style. Why not get comfy at home with a good movie brought to you by Netflix, Hulu or Redbox? Or invite your friends to a board game night, hike or picnic?

Facts to consider

Voice of reason

When you first move out and are starting out in life, the majority of your money may go to necessities. However, this does not mean that you will never be able to afford higher-priced entertainment, perhaps just a little later in life.

True cost of live entertainment

Want to catch a professional baseball game? Take into consideration the cost of gasoline or train/plane tickets, lodging, food, parking, tickets to the game and extra money for souvenirs or other tourist attractions. Entertainment can add up quickly!

PEACE OF MIND FACTOR

Living on your own for the first time may come with a lot of emotions, both good and bad. Having to pay for all the necessities for the first time can come as a shock to the system. While it is important to plan your purchases intentionally, keep in mind the need for relaxation. This might not be the time in life for live entertainment, but “fun money” is a valid line item in the budget. Everyone needs some way to decompress for their mental wellbeing.

ENTERTAINMENT CHOICES

pick one



Hanging out

0 points



Streamed or self-service movies

6 points



Cable television

70 points



Live entertainment

440 points

Previous remaining points ➡

minus

-

Entertainment points ➡

equals

=

Remaining points ➡

LIFE HAPPENS

It's not so much a question of **if** life will happen, it's a question of **when** life will happen.

Sometimes life brings a nice little bonus: tax return, work bonus or unexpected gift. Often though, it is an unexpected expense: car repairs, medical bill or dropping your smartphone. Part of financial health is the ability to take life in stride without creating financial stress. Saving up for these emergencies in a "rainy day fund" means that life emergencies aren't by default also financial emergencies.

Let's see what happens to your lifestyle choices. Can they handle a "life happens" moment? Use the month you were born to determine what event your budget needs to absorb.

Evaluate

If your life event was a positive, could your budget support you on a monthly basis without the bonus? After all, you only get one birthday a year. Consider adding at least a portion of it into your savings for when life hands you a not-so-fun event.

If your life event was negative and your budget can't absorb it, look back over your choices. Is there anything you can change? Paying for these kinds of events with credit often leads to a negative spiral that will cost significantly more in the long run. **Interest is the rent you pay on the money you borrow.** That car repair or new cell phone will end up costing more than the listed price when credit is used to pay for it because you will have to pay the loan back with interest.

LIFE HAPPENS

Pick the month you were born

<p>January</p> <p>Win contest!</p> <p>+500 points</p>	<p>February</p> <p>Tax return!</p> <p>+400 points</p>
<p>March</p> <p>Car repairs</p> <p>-500 points</p>	<p>April</p> <p>Birthday gift!</p> <p>+150 points</p>
<p>May</p> <p>Start a part time job</p> <p>+300 points</p>	<p>June</p> <p>Home appliance repair</p> <p>-400 points</p>
<p>July</p> <p>Computer crashed</p> <p>-350 points</p>	<p>August</p> <p>Work bonus!</p> <p>+700 points</p>
<p>September</p> <p>Flat tire</p> <p>-250 points</p>	<p>October</p> <p>Emergency travel</p> <p>-250 points</p>
<p>November</p> <p>Dropped smartphone</p> <p>-200 points</p>	<p>December</p> <p>Medical bill</p> <p>-250 points</p>

Previous remaining points ➡

plus or minus

+/-

Life Happens points ➡

equals

=

Final remaining points ➡

DEBT

Albert Einstein said, **“Compound interest is the eighth wonder of the world. He who understands it, earns it... he who doesn’t... pays it.”** This is how it plays out in real life. Putting cash in your rainy day fund means you have a chance to earn interest paid on the amount in your savings. Paying that unexpected bill with credit means you are paying interest on the debt you owe.

Let’s see what a difference it could make.

DEBT SUMMARY *minimum monthly payment*

	Balance	Interest Rate	Monthly Payment	Time to Payoff	Total Payments	Interest Paid
First Loan	\$15,000	18.9%	\$237.10	30 years	\$85,3570.60	\$70,357.60

DEBT SUMMARY *minimum monthly payment plus \$50*

	Balance	Interest Rate	Monthly Payment	Time to Payoff	Total Payments	Interest Paid
First Loan	\$15,000	18.9%	\$287.10	9+ years	\$31,800.17	\$16,800.17

And if you are thinking, “There is no way I would ever rack up \$15,000 in loans!” think again.

Student loans, medical bills, car payments, credit cards, etc. Any one of these can quickly add up to \$15,000 in debt. Combine a few and that number grows even faster.

PEACE OF MIND SCORE *Calculate the percentage of your total points that you have in savings*

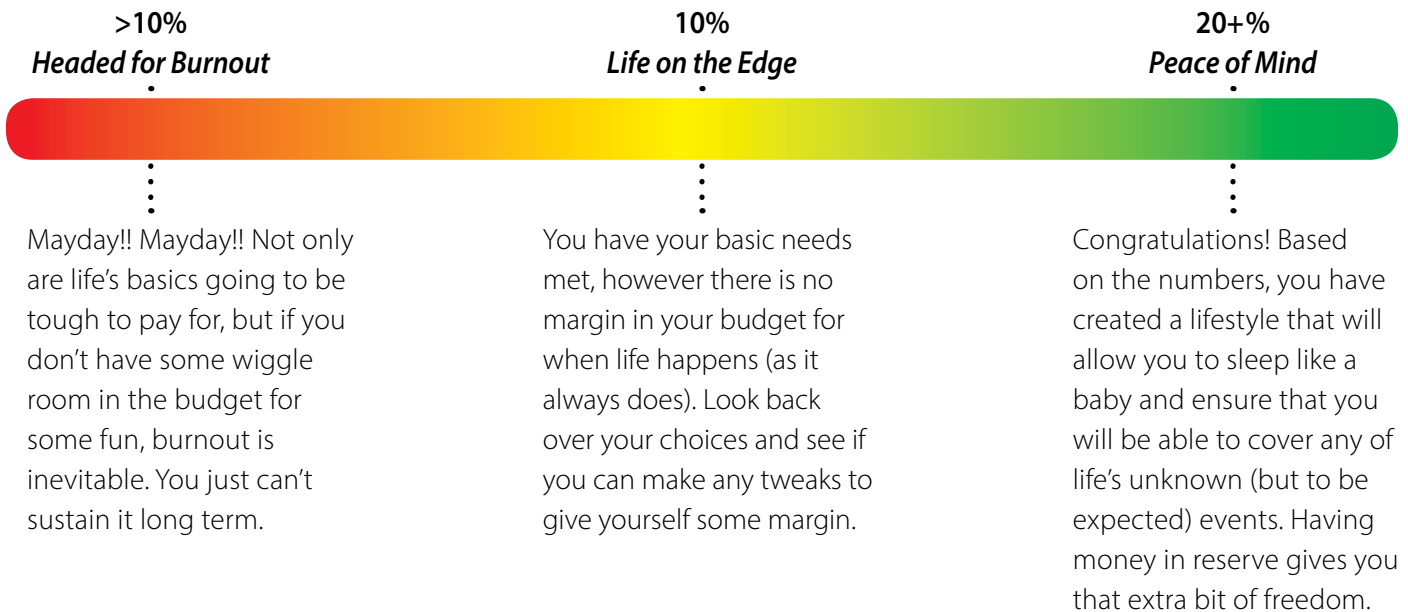
Your Final Savings	Example A	Example B
Savings points from page 4 ➡ <input type="text"/>	200	200
<i>plus or minus</i>	+	-
Final Remaining points from previous page ➡ <input type="text"/>	150	250
<i>equals</i>	=	=
Final savings points ➡ <input type="text"/>	350	-50
<i>divided by</i>	÷	÷
Starting points from page 3 ➡ <input type="text"/>	2,010	2,010
<i>equals</i>	=	=
Savings points per 100 total ➡ <input type="text"/>	0.1741	-0.02
<i>multiply by</i>	×	×
Percentage conversion ➡ <input type="text"/>	100	100
<i>equals</i>	=	=
Savings percentage ➡ <input type="text"/>	17.41%	-2.48%

MINDFUL MONEY MANAGEMENT

Now that you have created your lifestyle, let's see how you did.

After calculating your basic budget, did you have points left over to cushion certain categories? Increased savings gives you increased peace of mind, however, it's important to keep some wiggle room in your budget for extras that align with your priorities.

Use the savings percentage that you calculated on the previous page to determine where you fall on the scale below.



Stress The link between mental health, physical health and financial health

One health link that's often overlooked is the connection between financial health, mental health and physical health. It may surprise you to learn that physical health, mental health and financial health are all related.

Let's think about stress for a moment. Feeling stressed or worried is a totally normal human experience. Most people notice excessive stress in their thoughts (when a thought or scenario gets stuck on replay or thoughts get caught in the past or the future) and feelings (one might avoid stressful situations, people, places or simply notice feeling overwhelmed). However, **stress is not just a mental experience**. When people are stressed in their thoughts and feelings, most can also identify physical sensations of stress (shortness of breath, muscle tension, stomachaches- just to name a few).

When asked what causes stress, many studies have found that **top drivers of stress in adults are related to finances, budget and unexpected expenses**. Overwhelming financial stress can contribute to or intensify existing mental health conditions such as anxiety or depression. Severe feelings of hopelessness and avoidance, if left untreated, can negatively impact both your mental health and financial health. At their most extreme, these symptoms can cause you to miss work, avoid bill collectors or lose your home.

There is hope, and there are many resources that can help if you or someone you know is struggling with mental health symptoms that impact your ability to make your way through your daily life. Reaching out to a counselor, therapist or loved one for support is a

great place to start. In addition, taking the time to care for your physical and mental health on a consistent basis will help you to show up to your life as the best version of yourself!

Have you taken into account more than just finances? Keep in mind that not everything needs to impact your budget.

- Volunteer to walk dogs at the shelter (especially if you find pet ownership too expensive at this point in time)
- Physical activity
- How are you spending time with friends?
- Do you have time scheduled for a hobby?

Self-care

Self-care is anything you choose to do with the intention of being kind to yourself (mind, body or soul). Some of these things are free, like calling a friend, turning to your spirituality, or watching your favorite comedian on YouTube, while others cost money and should be budgeted for.

Individual Therapy

Finding a counselor or therapist to talk with and help guide you through difficult times in life and build skills to manage stressors can be an essential part of taking care of your mental health. At time of writing, all health insurance is responsible for covering at least some portion of counseling. However, each insurance company and plan is different. To learn about your mental health benefits, call the phone number on the back of your insurance card and ask what your co-pay for individual therapy would be (this is how much you'd pay out of your own pocket for each session). Also, be sure to ask if you have a deductible that must be met before therapy is covered.

Look back at the lifestyle you created. Does it put you on the path to mental, physical and financial wellness? If so, how? If not, what needs to change?

Group Therapy

Finding a group that is geared toward providing social support and skill building related to a topic that you are working on (for example anxiety, depression, body image, substance use) can be a powerful healing tool, and, as described above, there is a good chance your insurance will cover all or part of this expense.

Natural Supports

Do you have a friend, co-worker, sibling or family member who does a great job of listening to you when you are down, offering advice when you ask for it or helping to distract you from stress or sadness when you feel like that is the best strategy? That is amazing! Natural supports are people who are in your life and can be there for you in a nonprofessional way to support your mental and emotional well-being. One of the perks of leaning on your natural supports? It is free!

Alternative Wellness

Does getting a massage or a pedicure helps you to relieve stress while caring for your physical self? Good for you! Don't forget, however, that these activities can be pricey and should be factored into your budget.

Select the top five values that you would like to see guiding your life

- **Acceptance** *to be accepted as I am*
- **Accountability** *to be willing to stand behind my actions*
- **Adventure** *to have new & exciting experiences*
- **Attractiveness** *to be physically attractive*
- **Authority** *to oversee & be responsible for others*
- **Balance** *to keep activities & obligations in proportion*
- **Caring** *to take care of others*
- **Challenge** *to take on difficult tasks & problems*
- **Comfort** *to have a pleasant & comfortable life*
- **Confidence** *the belief that you are able to succeed at something*
- **Contribution** *to give something lasting to the world*
- **Cooperation** *to work collaboratively with others*
- **Creativity** *to have new & original ideas*
- **Dependability** *to be reliable & trustworthy*
- **Ecology** *to live in harmony with the environment*
- **Fame** *to be well-known & recognized*
- **Fitness** *to be physically fit & strong*
- **Forgiveness** *to be forgiving of others*
- **Friendship** *enjoying relationships with peers*
- **Frugality** *not being wasteful with resources*
- **Fun** *to play & have fun*
- **Generosity** *to give what I have to others*
- **Genuineness** *to act in a way that is true to who I am*
- **Growth** *to keep changing & growing*
- **Helpfulness** *to be helpful to others*
- **Humor** *to see the funny side of myself & the world*
- **Independence** *to be self-determined & care for myself*
- **Inner Peace** *to experience personal peace*
- **Justice** *to value fairness in your dealings with people*
- **Non-Conformity** *to question & challenge authority & norms*
- **Openness** *to be open to new experiences, ideas, & options*
- **Perseverance** *continuing on in spite of difficulties or obstacles*
- **Popularity** *to be well-liked by many people*
- **Responsibility** *to make & carry out responsible decisions*
- **Risk** *to take risks & chances*

- **Spirituality/Faith** *a connection to something bigger than ourselves*
- **Stability** *to have a life that stays consistent*
- **Tolerance** *to accept & respect those who differ from me*
- **Tradition** *to follow respected patterns of the past*
- **Wealth** *to have plenty of money*
- **Other** _____
- **Other** _____

Your Top Five

1. _____
2. _____
3. _____
4. _____
5. _____

Keep these in mind as you make your lifestyle selections.

Speaking of values, there was a recent study done on the millionaire households in the United States.⁴ Did you know that in 2017 there were over 11 million millionaire households in the United States? **11 million millionaire households!** And according to the largest study of millionaires done to date, with over 10,000 millionaires surveyed, the majority of them did not inherit any of their wealth. Which means they earned it themselves. When asked to rank a list of items that contribute to someone becoming a millionaire, the top two answers were: **financial discipline and saving consistently.** They take personal responsibility, practice intentionality, are goal-oriented, hardworking and consistent.⁵ Something to keep in mind as you start on your own financial journey.

⁴ *Everyday Millionaires*, Chris Hogan

⁵ *Forward to Everyday Millionaires*

How will you incorporate self-care into your life?

We've looked forward at the life you would like to live. Now let's take some time to look back. Imagine you find a time travel machine and are able to visit your 80 year old self. Imagine sitting down at the kitchen table with your future self; let them tell you the story of their life. You get to be the hero in this story. You will win and you will live happily ever after, but what can your future self tell you about the choices you made to get there? Have fun with this! And if it is easier to write it as a script, feel free.⁶

⁶ <https://medium.com/@garrettphilbin/seven-steps-to-making-your-money-matter-76ab706d36fd>

Now let's take the first steps to creating that life in reality, not just your imagination. Pick one aspect of that story. What is the outcome you most want to achieve?

What obstacles do you see that might challenge that outcome?

Create a plan that will help you overcome those challenges

What step will you take **today** to implement that plan?



Additional Resources

Multnomah County Mental Health Crisis Line
503-988-4888

United Way *community resources*

Dial 211

www.211.org

Keep Oregon Well *mental health advocacy and resources*

TrilliumFamily.org

Oregon State Credit Union *financial education and resources*

www.oregonstatecu.com

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WELL!** 