Life or Debt
Home Study Course

Victor Antonio, Host of Life or Debt

Table of Content

Introduction

If you're a fan of Life or Debt on Spike TV then you know what this home study course is all about; financial stability.

I created this home study course (workbook and audio) because of the numerous inquiries I get from families who are desperate and in need o financial guidance. It's impossible for me to be everywhere. As of this writing over 300+ families have contacted me needing help. This number continues to grow!

Every day I get emails that are heart wrenching. Families open up to me and tell what's going on in their family and how they ended up in financial instability. The problem of debt comes from a range of issues: medical problems, business went broke, student loans, low salary with little education and of course, job loss!

My hope is that this home study course will serve as my proxy (substitute) since I can't be there for every family. I also hope that this program will instigate and facilitate a discussion within your family and with your spouse.

Getting out of debt is a slow and often painful process. That said, I can also tell you that being out of debt will give a sense of peace that you can't imagine. You'll sleep better, feel better, be more optimistic, fell more in control and most importantly, you'll save your family.

Victor Antonio

TRACK #1: Financial Realities

Many American's today are either struggling or suffering in silence when it comes to their economic condition. The numbers tell it all

- 75% of American families are living paycheck-to-paycheck
- 60% of Americans have less than $1,000 in savings
- 38% of Americans are not saving for retirement

When it comes to debt, the average American has:

- Credit Card Debt: $15,000
- Student Loans: $47,000
- Car Loan: $26,000
- Overall Household Debt: $129,000

The reason for the above can be attributed to:

- *Bad Decision*s (e.g., Emotional, Immediate Gratification)
- Uncontrolled (impulse) Spending
- Living above one's means

Discussion Notes

TRACK #2: Know Your Numbers

An ***Income Statement*** is the difference between your Total Income per Month MINUS your Total Expenses per Month. Write down your Total Income $____________ per month (i.e., take home pay after taxes and deductions)

Now, list out ALL your monthly expenses:

Expenses	$/Month
Mortgage	$
Property Taxes	$
Health Insurance	$
Car Payment	$
Car Insurance	$
Electricity	$
Gas	$
Water	$
Internet	$
Cable TV	$
Cellphone	$
Transportation (gas, train, bus)	$
Groceries	$
Entertainment (eating out, movies, etc)	$
School (fees, tuitions, meals, etc)	$
Monthly Subscriptions (gyms, magazines, etc)	$
Clothing	$
Daycare	$
Student Loan(s)	$
	$
	$
	$
	$
	$
	$
	$
	$
	$
Total Monthly Expenses	$

Now, calculate your monthly Cashflow:

Cashflow = Total Monthly Income (TMI) – Total Monthly Expenses (TME)

Example 1: Positive Cashflow
TMI = $4,000
TME = $3,000
Cashflow = $4,000 - $3,000 = $1,000 (You're ahead at the end of the month)

Example 2: Neutral Cashflow (Breakeven)
TMI = $4,000
TME = $4,000
Cashflow = $4,000 - $4,000 = 0 (You're breaking even at the end of the month)

Example 3: Negative Cashflow
TMI = $4,000
TME = $5,000
Cashflow = $4,000 - $5,000 = *-$1,000* (You're falling behind at the end of the month)

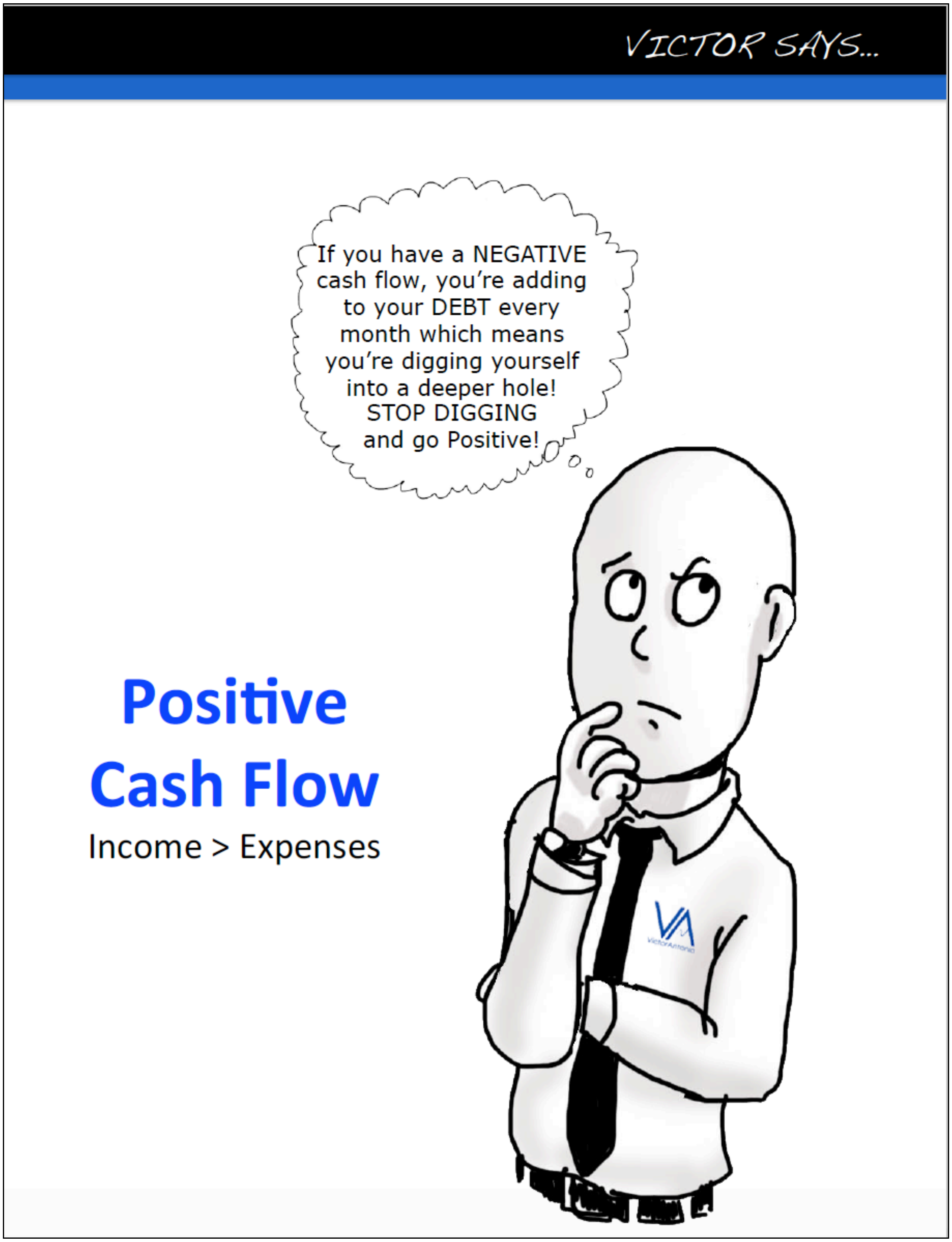
Calculate your Cashflow:

TMI = $ __________

TME = $ __________

Cashflow = $__________

Are you Postive, Neutral or Negative? If you're Neutral or Negative on cashflow, you can (a) Increase Your Income (b) Decrease Your Expenses or (c) Do Both!


VICTOR SAYS...
If you have a NEGATIVE cash flow, you're adding to your DEBT every month which means you're digging yourself into a deeper hole! STOP DIGGING and go Positive!
Positive Cash Flow
Income > Expenses
VA
VictorAntonio

Discussion Notes

TRACK #3: Know Your Numbers

A ***Balance Sheet*** determines your NET WORTH by taking your total assets (what you own) MINUS your total liabilities (what you owe). List out your assets and liabilities.

Assets	$/Month
Home Equity	$
Market (Stocks, Bonds, Treasuries, …)	$
Retirement (401K, IRA, SEP, …)	$
Collectibles (paintings, hobbies,…)	$
Jewelry (gold, silver, …)	$
Equipment (electronics, furniture, …)	$
	$
	$
	$
	$
	$
	$
CALCULATE TOTAL ASSETS	**$**

Liabilities	$/Month
Home Loan (mortgage)	$
Student Loans	$
Credit Card Debt	$
Car Loan	$
Personal Loans	$
	$
	$
	$
	$
	$
	$
CALCULATE TOTAL LIABILITIES	**$**

To arrive at your Current Net Worth, take your total assets and subtract your total liabilities from the last page.

TOTAL ASSETS $ _______________

Minus TOTAL LIABILITIES $ _______________

Equals CURRENT NET WORTH $ _______________

Your Current Net Worth should always be <u>positive</u> (i.e., assets are greater than your liabilities or what you own is greater than what you owe).

How Well Are You Doing?

Now that you know you're et worth, how do you know if you're doing well or not? To answer that question here's a simple formula that you can use to see how you compare.

AVERAGE INCOME FOR LAST 3 YEARS $ _______________

MULTIPLIED BY YOUR AGE _______ DIVIDED BY 10 =

ESTIMATED NET WORTH $ _______________

EXAMPLE 1: Single Person with a 3-year average salary of $40,000 who is 30 years old. Net Worth = ($40,000 x 30) / 10 = $120,000

EXAMPLE 2: Married couple with a combined 3-year average salary of $60,000. The wife is 30 and the husband is 36 (i.e., average age = 33). Net Worth = ($60,000 x 33) / 10 = $198,000

Discussion Notes

TRACK #4: GOALS AND PRIORITIES

The key to staying on track with your finances requires that you define your goals up front. Each goal should be stamped with a timeline (i.e., by when). Once you've completed your list, you need to prioritize each one in order of importance.

EXAMPLE

GOAL	BY WHEN	PRIORITY
Pay off my house	01/15/XX	7
Pay off my Student Loans	01/15/XX	**3**
Pay off my credit cards	01/15/XX	**2**
Have 6 months of savings	01/15/XX	**1**
Take a vacation	01/15/XX	5
Pay for the kids college	01/15/XX	4
Be debt free (less house)	01/15/XX	6

The next step is to ISOLATE the Top 3 priorities and focus on achieving those first! If you're married or have a partner, make sure you BOTH agree on the priorities (very important).

EXERCISE:

GOAL	BY WHEN	PRIORITY

VIC TIP: Post this somewhere that will remind you of your top priorities every day (e.g., bathroom mirror, refrigerator door, office board, etc.)

VIC TIP: Before you make a purchase, ask yourself "Is this a WANT or a NEED?" A want is a desire that doesn't help you reach your goal. A need is something that is needed to achieve your goals.

Discussion Notes

TRACK #5: THE MAGIC NUMBER

Your Magic Number is the amount of money you need to make each month (after taxes) to:

a) Cover your expenses

b) Pay off your debt(s), and

c) Save for your future

In Track #2 you calculated your cashflow (i.e., net income – total expenses).

Insert that number here as a reminder: $ ________

Assuming you have a positive cashflow (i.e., Your Net Income is GREATER than your Total Expenses), the question now becomes, “What should your ***optimal cashflow*** (i.e., your magic number be?”

CASHFLOW SCENARIOS

EXAMPLE 1: If your Monthly Net Income (income after taxes) is $4,000 and your Total Monthly Expenses are around $4,000, then you are at **'breakeven'**. That means your cashflow is essentially ZERO.

So, is breakeven a good thing or a bad thing? A bad thing! Why?

a) Because you're not keeping up with inflation (typically around 3% per year
b) Because you're not able to pay off your debt completely; just make payments
c) Because you're not able to save money for emergencies, college funds, buying or maintaining a house, retirement, etc.

EXAMPLE 2: If your Monthly Net Income (income after taxes) is $4,000 and your Total Monthly Expenses are around $5,000, then you are at **'negative cashflow'**. That means you're are falling behind on payments, getting out of debt and savings.

WARNING: If you're at breakeven or negative cashflow, you're just one crisis away from financial disaster.

EXAMPLE 3: If your Monthly Net Income (income after taxes) is $4,000 and your Total Monthly Expenses are around $3,000, then you are at **'positive cashflow'**. That means you're able to start getting out of debt and building a strong savings account.

30-30-30-10 RULE

The key to being able to reach your **Magic Number** begins by first understanding how much you need to make to cover all your *expenses, pay down debt and save for the future*.

EXAMPLE: John has an income of $4,000 a month. If John wants to pay his expenses, pay down his debt and save for the future, how should his money be allocated (i.e., how should he be spending it)? Well, by simply using the 30-30-30-10 Rule, John should allocate his expenses as follows:

30%	Pay rent or mortgage	= $1,200/month
30%	Pay all expenses	= $1,200/month
30%	Pay down debt and save	= $1,200/month
10%	Fun and Entertainment	= $400/month

Think of the 30-30-30-10 Rules as four buckets of money. Each bucket is dedicated to a specific expense.

Calculating Your Magic Number

It's now time to calculate your magic number. Think of the 30-30-30-10 Rule as the ideal budget percentages for your financial stability.

Take Home Pay (after taxes & deductions): (a) ________

Rent or mortgage	= (a) X .30 =	____________
Expenses	= (a) X .30 =	____________
Debt Pymt & Saving	= (a) X .30 =	____________
Entertainment	= (a) X .10 =	____________

Example 1: Calculating Your Magic Number

Take home pay = $4,000.

Actual Payments:
Mortgage = $1,600
Expenses = $1,500
Debt Payments = $400
& Savings = $200
Entertainment = $400

	30-30-30-10 Budget Rule	Actual Payments	Difference
Mortgage	$1,200	$1,600	$400 (over)
Expenses	$1,200	$1,500	$300 (over)
Debt Payment plus Savings	$1,200	$600	$700 (under)
Entertainment	$400	$400	0 (balanced)

According to the 30-30-30-10 Budget Rule, you are:

1. Over budget on your mortgage payment by $400
2. Over budget on your expenses by $300
3. Under budget on your debt and saving payment by $700 and
4. Balanced on the Entertainment expenses.

Looking at the 'difference' column, you can clearly see that you're paying too much for rent or mortgage by $400 and that you're expenses are too high by $300. If you were able to reduce your Rent/Mortgage by $400 and your expenses by $300, you would be able to take that $700 and pay down your debt and save more money. If you did this, you would be financially stable (balanced).

FREQUENTLY ASKED QUESTION (FAQ)

What Should My Mortgage Payment Be?

In the example above, your mortgage (if you own a home) payment should be $1,200 according to the 30-30-30-10 rule. But, keep in mind that you'll have to pay taxes and for repairs to the house every year.
What I would suggest is to estimate that 20% of that $1,200 budget (.20 x $1,200 = $240) will go to taxes and repairs. So in reality, you're budget for the mortgage along with taxes and repairs should look like this:

Mortgage = $960/mo

Taxes and Repair = $240/mo

Total = $1,200/mo

In other words, you can only afford to have a mortgage of $960/mo if you assume expenses are going to be $240/mo.

Before you buy a house you should:

1) Take 30% of your Take Home and that's the "Mortgage Budget" (e.g., $4,000 x .30 = $1,200)

2) Then, take 20% of that "Mortgage Budget" (e.g., $1,200 x .20 = $240)

3) Then take $1,200 - $240 = $960 to arrive at how much you can afford to pay per month

Discussion Notes

TRACK #6: Seven Ways to Cut Costs (Expenses)

In order to hit your Magic Number, you may have to find a way to reduce expenses in one or all of your 4 budget buckets based on the 30-30-30-10 budget rule.

Back to the previous example; assume this is your current financial situation.

	30-30-30-10 Budget Rule	Actual Payments	Difference
Mortgage	$1,200	$1,600	$400 (over)
Expenses	$1,200	$1,500	$300 (over)
Debt Payment plus Savings	$1,200	$600	$700 (under)
Entertainment	$400	$400	0 (balanced)

In the above example, it's obvious that you need to find a way to reduce your payments on Mortgage and Expenses.

You'll also have to increase how much your paying down on your debt and putting into saving.

So what can you do?

Here are 7 ways that you can reduce your expenses (costs) in order to achieve financial stability (balance):

	Bucket Impact	How Much Can you Save?
Refinance Loan at a lower interest rates to reduce payments	Mortgage	
Utilities: cut back on water usage, electricity, heating, A/C, etc	Expenses	
Cell Phone & Cable TV plans change over time so it's good to frequently check on them every 6 or 12 months.	Expenses	
New insurance: You can get new estimates or combine insurance policies under one company for better rates	Expenses	
Eating healthier by cutting out junk food and fast foods can also reduce your visits to the doctor in the long term.	Entertainment and Expenses	
Do It Yourself (DIY) projects as opposed to having someone do it for you.	Expenses	
Entertainment costs are those associated with going out to a movie, special dinners, vacation or occasions.	Entertainment	

TRACK #7: Seven Income Boosters

Here are seven ways that you could potentially increae the amount of income you bring home.

Strategy	Description
Get a new job that pays more	Many workers in today's market are grossly under-earning who could make a lot more by moving over to a new company.
Ask for a raise at your current job	If you're good at what you do, you may be in a position to ask for a raise. Managers expect you to ask, so don't disappoint them..ask!
Get a second job	A part-time job on the side is an opportunity to earn additional AND it's also a great way of gaining new experience in a new market space
Work longer hours	If you're an hourly worker, there may be some ways for you to pick additional hours; especially during the holidays or annual sales events
Do Freelance work	Whether it's mowing laws or using your expertise to consult with clients, you can earn extra money without having work for a second company
Sell things you make	If you have a talent for creating crafts or working with iron or wood, sell your creations. Getting a website and selling today online is easier than ever.
Change the number of dependents on your W2 form	Make sure you're not over-paying every month to the government. By adjusting your number of dependents, you could bring home more money monthly.

Discussion Notes

TRACK #8: How Much Should You Be Saving?

Having savings for an emergency is a must for every family that seeks financial stability. How much to save is always a big question. The average savings rate in the U.S. is around 5%. Is this enough? What should the average American be saving?

I created a simple formula that you can use to determine how much you need to be saving in order to:

- Creating an emergency fun
- Fund college tuition (if you're married with kids)
- Fund your retirement for the future

Enter Your Age: _____ and divide by 2 = ______%

Examples: Single Person
If you're 30 years old than you should be saving 15% (30 divided 2) of your take home pay.

Examples: Married Couple or Partners
If you're married and you're 30 and the other person is 36, then you would first calculate the average age by adding both ages 30 + 36 = 72 and then dividing by 2 to arrive at 33. Now that you have the average age, divide that number by 2 to arrive at 15.5% savings rate.

This formula is just an estimate since it depends on:

- How much have you already saved
- How (in)expensive will your lifestyle be when you retire
- Special circumstances that require additional payments

Discussion Notes

TRACK #9: How Much Will I Need When I Retire?

What a great question! Here's a great formula that I came across to help you estimate how much you will need for retirement.

Step 1: You need to go to https://www.ssa.gov and create an account using your social security number and your personal information.

Step 2: Use the calculator to determine who much your Social Security benefits are going to be when you retire. At what age you retire will determine how much your payout will be.

Calculate Estimated Payout: $________ /month

Step 3: You'll have to estimate how long you think you'll live. For example, I like to use the following: If I retire at 65, I expect to live **20 years** (i.e., 85 years old).

Rule: For every additional $1,000 you want to draw from retirement, you'll need $240,000 in savings.

Why $240,000? Well, if you withdrew $1,000 per month, in 12 months (1 year) that would be $12,000. And, if you expect to live 20 years, you need $12,000 per year for 20 years (i.e., $12,000 x 20 years = $240,000)

Example: Single Person
Let's assume you went to https://www.ssa.gov and after entering all your personal information and verifying your work history income (i.e., how much money you made over the years), it estimated that you'll receive **$2,000 per month**.

If you need **$4,000 to fund your current lifestyle** for the next 20 years, that means you'll need to have an additional $2,000 dollars a month.

RULE: is that for every additional $1,000 you need for retirement, you need to have $240,000 to make it last 20 years.

$240,000 x N = Retirement (Savings) Funds Needed

N = The number of additional $1,000/mo you need fund your lifestyle for 20 years.

If you need $2,000/mo (**2** x $1000) in addition to what Social Security is providing ($2,000), then **you need to have $480,000** ($240,000 x 2) in savings to be able to live a $4,000/month lifestyle.

Example: Married Couple
Let's assume the same situation and also that the couple is the same age and both retire at the same time. The combined social security benefit could be $3,000 per month. If the couple needs to sustain a $4,000 a month lifestyle, the only need **1** additional $1,000 (i.e., N=1) per month, then they only need to have $240,000 ($240,000 x 1) in savings to support their lifestyle for the next 20 years.

Note: This formula assumes 0% interest on savings and investments and that you'll only live 20 years. This formula should only be used an estimate.

Discussion Notes

TRACK #10: Paying Down Credit Card Debt

What's the best way to pay down your credit card debt? Well, the first step is to list your credit card debt along with your monthly payments to get an idea of what you owe and how much you're paying every month to service those debts.

Example: Imagine you have 3 credit cards with the following debts: $5,000, $3000 and $2,000 balance with a 14%, 19% and 11%, respectively. Your **total monthly payment is $600** for ALL three cards.

	1	2	3
Credit Cards	$5,000	$3,000	$2,000
Interest	14%	19%	11%

Payoff Strategies:

- Strategy #1: Attack the one with the highest balance first (Credit Card #1)

- Strategy #2: Attack the one with the highest interest first (Credit Card #2)

- Strategy #3: Attack the one with the lowest balance (Credit Card #3)

Logical vs. PschoLOGICAL
It is logical to use either Strategies #1 or #2. The problem is psychologically, as you attempt to pay off the ones we the higher balance or interested, you may lose motivation if you can't seem to get ahead on payments.

The Snowball Effect: A strategy I endorse is something called the "snowball effect". This is when you bypass logic and focus on the emotional 'momentum' you derive by choosing to pay off the one with the SMALLEST balance first.

Logically this may not make sense, but psychologically it will keep you motivated when you can "knock off" each credit card one-by-one. Here's how it works.

	1	2	3
Credit Cards	$5,000	$3,000	$2,000
Interest	14%	19%	11%
Payment	$200	$150	**$250**

You begin by being a little more aggressive with the credit card with the smallest balance (#3). For example, let's say the minimum payment is $125 but you decide to be more aggressive and pay $250.

After 8 months, #3 is now paid off and you've also lowered the amount owed on #1 & #2.

	1	2	3
Credit Cards	**$3,400**	**$1,800**	**$0**
Interest	14%	19%	11%
Payment	$200	$150 +$250 = $400	**Paid Off**

You'll notice now that instead of spending that $250 on others things, you'll **shift that money** over to #2. So now you're paying $400 a month on #2.

Now, after 5 months, #2 is now paid off and you've also lowered the amount owed on #1. Now, instead of spending that $250 on others things, you'll shift that money over to #2.

	1	2	3
Credit Cards	**$2,400**	**$0**	**$0**
Interest	14%	19%	11%
Payment	$200 + $400 = $600	**Paid Off**	**Paid Off**

You'll notice again that instead of spending that **$400** on others things, you'll **shift that money** over to #1. So now you're paying $600 a month on #1.

Now, after 4 months, if you pay $600 per month that means that all your credit cards will be paid off.

	1	2	3
Credit Cards	**$0**	**$0**	**$0**
Interest	14%	19%	11%
Payment	**Paid Off**	**Paid Off**	**Paid Off**

If you follow this plan, you'll be credit card debt free in 17 months (8 + 5 + 4) while still paying the same amount (i.e., $600) every month!

Discussion Notes

TRACK #11: Credit Card Settlement

Credit Card Settlement happens when individuals or families have built so much debt over time that they simply can't afford to pay it back. The reasons can be negligence, catastrophic event, divorce (widow), job loss, medical, business failure or student loans, etc.
Families on average have about 5- 10 credit cards and they have simply lost control.

What Options Do You Have:

- Pay it Off Slow
- Keep paying (snowball effect)
- Deplete 401K
- Deplete savings
- HELOC
- Downsize
- Consolidate Loans
- Transfer – High to low Interest
- Bankruptcy (means test, 7 or 11)
- Debt Settlement

The Stress of Debt

- Not sleeping
- Depression
- Digestive Disorder
- Distraction
- Loss of Appetite
- Irritable
- Family conflicts
- Work conflicts
- Bad decision making

Debt Settlement
Objective is to get the lender to negotiate a lower cash settlement 20-50% of what is owed. The further you fall behind on your credit card payments, the more eager the creditors will be to work with you on settlement

A 50% Settlement Example

1) Your Debt to the (Credit Card company) CCC = $10,000 (think IOU)

2) The CCC sells it to a (Credit Agency) CA for let's say $3,000

3) CCC gets $3,000 but loses $7,000 (this is a write-off called a "charge off")

4) The CA paid $3,000 and wants to collect $10,000. So the CA WILL NOT settle for $3,000 because it doesn't make any money

5) The CA may settle for $5,000 because it will make $2,000 ($5,000 you paid - $3,000 the CA paid = $2,000 to the CA

Note: The CCC may chose to settle directly (not use CA) at $5,000 which means they only lose $5,000 instead of $7,000

Note: After 3-6 months of non-payment, the CCC will write the debt off and either consider legal action OR sell it to a collection agency. If the creditors can't find you (e.g., you moved), often times they'll give up looking for you. This does not mean they won't report it to the credit score agencies.

Confirmation Letter

If you settle with a CCC, you need to get a letter in writing FIRST, that states that if you make a lump sum cash payment, the account 'is settled in full'. Do not send the lump sum payment until you get the letter from the CCC. The letter should state: It fulfills 100% of your obligation and the debt is settle in full.

Note: You credit score is already affected by your lack of payments. It could drop 50 – 100 points

How to Protect Yourself

- Create a folder for each debt with each CCC
- Make note of the date of your last payment so you'll know how long
- Keep all your bills
- Make sure to keep all correspondence (letter and print out emails) by date
- Log all calls onto a sheet and keep it in the folder (e.g., who called, when, what was said, and so on)
- Keep copies of settlement letters and checks
- Read the Fair Debt Collection Practices Act (FDCPA) so you'll know your rights

Caution - If you have a savings, checking account or investment fund at the same bank that offered the credit card, the bank may tap those funds to pay off delinquencies under the "Right to Offset Law"

Credit Card Settlement Mindset

- Don't seem to eager to settle
- Don't be afraid to share with the creditors what you're going through
- If legit, mention that you may have to file bankruptcy (they don't like hearing this because their chances of collecting go down dramatically)
- Begin making settlement offers AFTER 4 months of non-payment

The CCC may move from 'nice to nasty' in months 3-6. Stay cool and don't let it rattle you. It simply means they're under pressure to settle before sending it to a CA because they'll lose money.

Caution - If you're asked to send a 'token' payment and you do, it will reset the debt settlement clock to zero months. So, if debt settlement is your only option, you don't want to do this.

Tell Your Story – Make them Feel It

- Explain why you're behind
- Give them an idea of your current cashflow problem (i.e., you're in the negative every month)
- Let them know you want to be current but simply can't
- Let them know how dire your situation is
- Feel bad and apologize for not being able to make a payment any time soon
- Let them know that bankruptcy might be your only option
- Do not give out any personal information and more importantly DO NOT feel the need to explain to them WHERE your money is going. All they need to know is that you're in the negative each month.
- Let them know you have no other options (e.g., no equity, no friends or family to borrow from, etc.)

- Do NOT send them information; they have everything they need.

Tip - Never be rude to creditors no matter their behavior. Be polite but stern in your position. This will help when it comes to the settlement.

WARNING
Do not take out a cash advance or charge heavily prior to stopping your credit card payments. This might be viewed as fraud and the lender may be more inclined to pursue legal means.

Repayment

- If you have the lump sum in cash, that is the best negotiating position

- Some credit card companies (CCCs) or banks will offer a 3 month repayment plan if you don't have a lump sum.

- Payment plans have less leverage than cash when it comes to negotiating the settlement

- If you've agree to 3 month plan and miss a payment, then all bets are off and the CCC will either go back to the original deal or sell your debt to a collection agency

Negotiation Strategy

- Always tell the creditor you can't pay
- Be courteous but direct
- Mention the possibility of Bankruptcy
- Month 5-6 are the best months to negotiate
- If in month 5 they say that's their final offer, and it's not low enough for you to pay, don't accept and don't panic

The Elephant in the Room

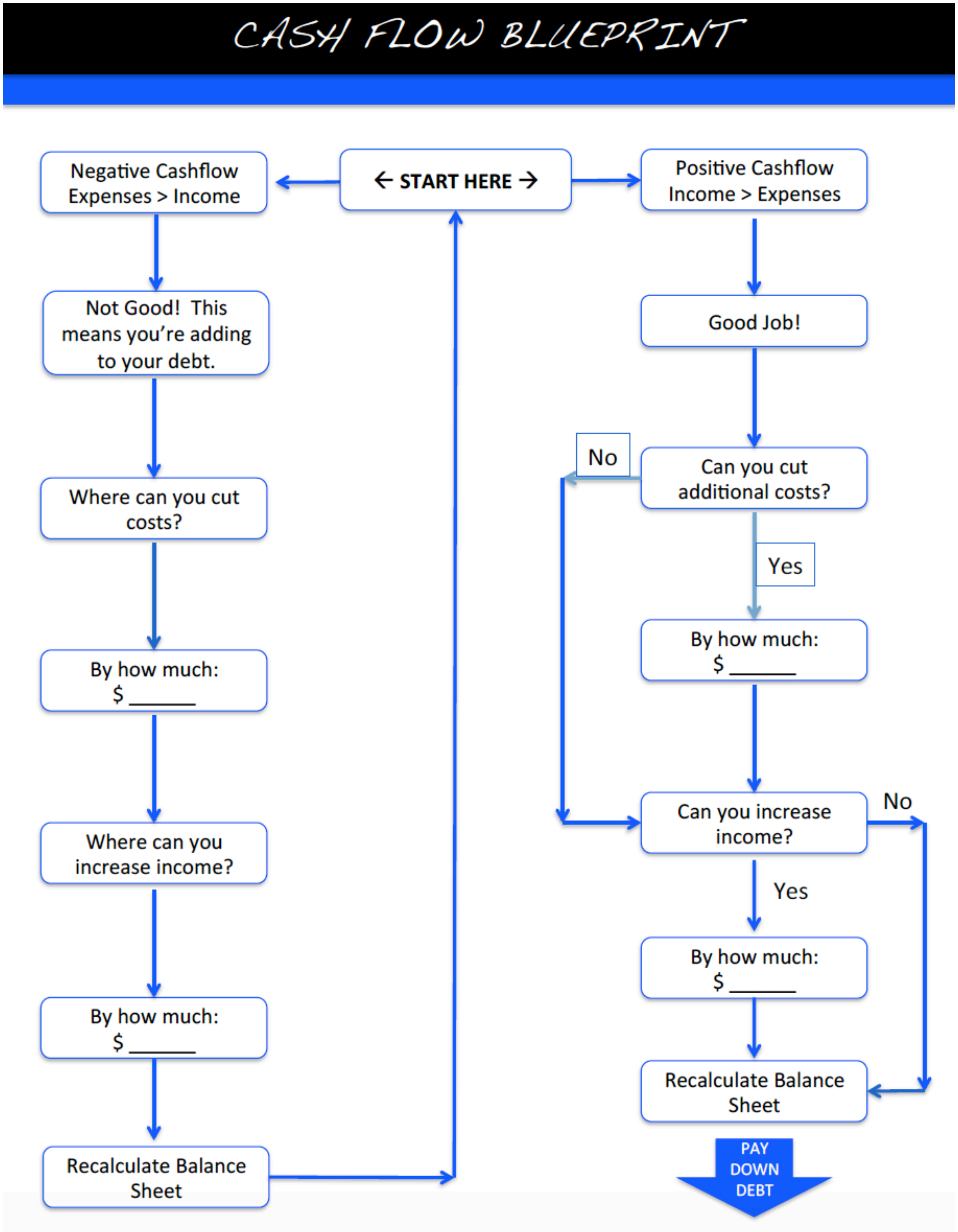
- Open all your mail
- CCC may be making a settlement offer with an expiration date
- There may be a legal notice that you need to respond to
- File and keep track all correspondence sent to you AND what you send them (copies, emails, etc.

Caution - If a collection agencies asks you for banking information or bank stubs, do not give them this information. They <u>already have</u> the information they need. They may use the information to find a way to draw from your funds (bank statement).

Final Tip - Best time to negotiate is the last few days of the month as the CCC or bank wants to close out the debt

Discussion Notes

Appendix A


CASH FLOW BLUEPRINT
← START HERE →
Negative Cashflow
Expenses > Income
Not Good! This means you're adding to your debt.
Where can you cut costs?
By how much:
$ ______
Where can you increase income?
By how much:
$ ______
Recalculate Balance Sheet
Positive Cashflow
Income > Expenses
Good Job!
Can you cut additional costs?
No
Yes
By how much:
$ ______
Can you increase income?
No
Yes
By how much:
$ ______
Recalculate Balance Sheet
PAY DOWN DEBT