



Additional Resources Guides and Worksheets



Balancing Your Checkbook

nly you know the true balance in your financial accounts—your financial institutions only know what has been presented to them for payment. Some transactions can take weeks or even months before they clear; so if you don't keep track of what expenses have left your account, you might think you have more money left to spend than you actually do.

To ensure you always know how much you have, reconcile your statement each month. The Consumer Financial Protection Bureau estimates that Americans spend about \$34 billion in excess fees like late fees and overdraft fees per year. Most of this expense is a result of not maintaining good records. Don't be part of this statistic! Learn to balance and reconcile your checkbook so you know exactly what you have available in your accounts.

We often use the terms "balancing" and "reconciling" to mean the same thing. However, they are actually two different steps.

- 1. Balancing is when you keep your checkbook register up-to-date and maintain the totals.
- 2. **Reconciling** is when you find and correct any differences between your statement and checkbook register. These differences may occur if you forgot to record a transaction on your register OR transactions posted after your statement was printed.

Balancing

Here is a checkbook register example to show you what it looks like to balance a checkbook:

CHECK NO. OR CODE	DATE	DESCRIPTION OF TRANSACTION	PAYMENT, FEE WITHDRAWAL	OR . (-)	Į	DEPOSIT OR INTEREST (+)	BALANCE

Whether you record these transactions in an actual checkbook register, on a sheet of paper or in an electronic format, it is important to keep your information as current as possible.

Reconciling

- 1 Using your bank statement, update your checkbook register (as shown above) with any transactions that you did not previously record, including interest earned, service charges, etc.
- 2 In the checkbook register, mark with a check all transactions per your bank statement. Then using the table below, list all outstanding transactions (those not yet charged to your account), which will be the ones without a check mark in your checkbook register.

OUTSTANDING TRANSACTIONS (not including deposits)

CHECK NO.	DESCRIPTION OF TRANSACTION	AMOUNT	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
Total dollar amt.	of OUTSTANDING TRANSACTIONS: (Also enter this amount on step 1	\$	

Reconciling (cont.)

3 Using the table below, list all deposits or other credits recorded in your register that are now shown on your statement:

OUTSTANDING DEPOSITS

DATE	AMOUNT	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total dollar amount of OUTSTANDING DEPOSITS: (Also enter this amount on step 1)	\$	

RECONCILIATION

RECONCILIATION	AMOUNT	
4 Enter ENDING BALANCE on your bank statement:	\$	
5 Enter total COUTSTANDING TRANSACTIONS amount:	\$	
6 SUBTRACT 5 from 4 and enter amount:	\$	
1 Enter total OUTSTANDING DEPOSITS amount:	\$	
8 ADD 6 and 7, then enter amount:	\$ The number above should match the ending balance in your checkbook register. If not, then your account does not balance and there is an error.	

Records to Have on Hand in an Emergency

Insurance Records Auto Insurance Policy Homeowners/Renters Insurance Policy Pictures of interior and exterior of home to document assets and their condition Life Insurance Policies Employer-sponsored Policies Insurance Appraisals
Birth Certificates Marriage Certificates Social Security Identification Passports Military ID
Bank and Savings Records Brokerage Statement Bank and Savings Statements Location of Savings Bonds Location of Stocks and other Marketable Items Retirement Account Summary Loan Documents Copies of Credit Card Statements or Credit Cards in Case of Loss
Agreement Control Description Control Description
Automobile Records Title/Registration Documents
Estate Records Wills Powers of Attorney Medical Directives Trust Documents
Military Records DD214/Discharge Documentation VA Benefit

My Life Goals

Achieving your life's desires begins with having written goals. These goals may be financial or could describe the lifestyle you want to attain. Goals should be specific, measurable, actionable, realistic and have a completion time. Break your goals into action steps to keep you focused on the actions that lead to success. You can use the S.M.A.R.T. Goals worksheet to help with this.

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Goal #9 Complete by: Total/Monthly Cost: Action Steps:

Goal	Description
	Description Factor Fact
My Sample Goal	Have \$300 Saved in Emergency Fund
Complete by:	10/31/2018
Total/Monthly Cost:	\$300 total/\$25 per month
Action Steps:	Save \$25 per month using automatic deposit
	Reduce spending on entertainment to increase savings
Education	
Goal #1	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
·	
Employment	
Goal #2	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Income	
Goal #3	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Debt	
Goal #4	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Credit	
Goal #5	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Savings	
Goal #6	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Retirement	
Goal #7	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Action Gleps.	
Investing	
Goal #8	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
Addition Glops.	
My Own Goal	
,	

S.M.A.R.T. Goals

Decific: State exactly what is to be done

easurable: Include how the goal can be measured

Actionable: Determine steps to reach the goal

lealistic: Do not set goals for something unrealistic

ime-Bound: State when the goal will be met

Goal: I want to buy a new car.

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S.M.A.R.T. Goal:

Specific: I want to save money for a down payment on a new car.

Measurable: I need to save \$2,000 for the down payment.

Actionable: I will save \$50 from every paycheck.

Realistic: I usually waste the money on piddly items, so I can easily set aside \$50 each payday.

Time-Bound: I want to have the \$2,000 saved in two years.



My S.M.A.R.T. Goals

Time-Bound		
Realistic		
Actionable		
Measureable		
Specific		



Debt Assessment

Use the grid below to create a snapshot of your current debts. Examples of these can include:

- Credit cards
- Vehicle loans
- First and second mortgages
- Tax debts

- Student loans
- Personal loans
- Medical debts

This list should not include monthly recurring expenses such as utilities, cell phone payments, etc. in which you only pay for your usage during a set period of time. Instead, list only those debts with balances.

	Today's Date://						
	DEBT	DESCRIPTION	PAYMENT	BALANCE	INTEREST RATE		
) :	Visa Credit Card	Beach Municipal FCU	\$ 60/mo.	\$ 3,000	5.49 %		
	_						

Net Worth

Your net worth is a longer term "snapshot" of your financial condition. It compares your assets (what you own) vs. your liabilities (what you owe), and lists both liquid and illiquid assets. In other words, it shows you what can easily be converted to cash.

Your net worth is important because it allows you to measure your equity when compared with any outstanding loans. This is the number that truly measures where you are on the road to financial freedom.

Example

Financial Assessment What is My Net Worth?

A	0	n
= bank	U.	
	Virginia	Beach

Ebank UII Virginia Beach	(For an interactive budget, visit <i>bankonhr.org</i> under "Worksheets.")				
INCOME	PER MONTH	INCOME	PER MONTH		
Salary 1		Pensions/Retirement			
Salary 2		TANF/SNAP			
Commissions		Child Support			
Social Security		Other			
TOTAL MONTHLY IN	ICOME	\$			
ASSETS	VALUE	ASSETS	VALUE		
Savings		Automobile(s)			
Checking		Home			
Investments		Personal Property			
Retirement		Other			
TOTAL ASSETS		\$			
LIABILITIES	PAYMENT	TOTAL OWED	INTEREST RATE		
Credit Card 1					
Credit Card 2					
Credit Card 3					
CAR LOAN 1					
CAR LOAN 2					
MORTGAGE1					
MORTGAGE2					
TAX DEBT					
STUDENT LOAN 1					
STUDENT LOAN 2					
PERSONAL LOAN					
MEDICAL1					
MEDICAL2					
TOTAL LIABILITIES		\$			

Biweekly Pay: Additional Resources: Guides and Worksheets. Created for City of Virginia Beach by Beach Municipal Federal Credit Union • June 2016