

# FINANCIAL LITERACY 101

## The PROBLEM

- How do I start getting prepared in High School to be financially successful?
- What is financial success?
- How does what I am learning in High School relate to, and help me, with business and my finances.
- I have heard different opinions about life after high school, and how to make money. What is the best option?

# Speaker

## Cicero Salmon III, MBA

- Independent Business Owner
  - *Salmon Insurance Services*
- Real estate investor & Landlord
- Licensed financial professional
- Licensed Insurance professional
- Coach & Teacher
- Actor SAG/AFTRA
- Previous Fortune 500 company
- Private College, Private High School, Public School
- Bronx NY Born

# Course Schedule

6-week course



## Credit – Week 1

What is Credit?

Credit Cards

Credit Scores



## Stocks – Week 4

How to research a stock?

What does it mean when read the stock info?



## Student Loans – Week 2

What they are?

How to use them?

How they effect you after college?



## Real Estate – Week 5

What are the parts of Real Estate?

How is money made in Real Estate?

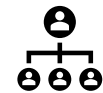


## Financial Awareness – Week 3

Saving vs Investing

Compound Interest

Taxes



## Entrepreneurship – Week 6

Business Creation

Marketing

Finance

# Credit – Borrow - Owe

## Pay your bills

Do all bills matter?

Are some bills more helpful than others?

How early should I start getting credit?

## Types of Debt

Revolving Debt

Open Debt

Installment Debt

## Age, Type, History

The Age of Your Credit.

Utilization

Types of Accounts

Payment History / Delinquency

How do I make credit work in my favor?

Getting more credit...How?

# Student Loans

## \$4000

### Money for College

Do my parents need to help pay for college?

Will I need to have money to get into college?

Do I have to pay while I'm in college?

Can I work while I'm in school?

## \$40,000

### Debt after undergrad

Do I have to start paying as soon as I graduate?

How much do I have to pay every month?

Do they take the money out of my paycheck?

Can I have my loan forgiven?

## \$60,000- \$120000

### Debt after graduate school (MBA-MD)

Do I have to pay my undergrad debt while I am in grad school?

How long does it take to payback?

Is the job I can get worth having to get a loan?

### Schooling Options

- Vocational School
- Community College
- State College/University
- Private College/University
- For-Profit College

*Is there anything good about student loan debt?*

*What can I use my student loan for?*

# Financial Awareness

## Saving VS Investing

- What's the difference at a bank between a savings and checking account?
- Can I make money using my savings?
- Does a savings account help me protect my money for the future?
- Can I only invest in stocks?
- What things can I invest in?
- Do I always make money when I invest?

## Simple vs Compound Interest

- What is simple interest?
- What is compound interest?
- What places give simple interest?
- What places give compound interest?

## Taxes

- Income Taxes – percentage of income
- Sales Taxes – sale of goods
- Excise Tax – alcohol, tobacco, gas
- Production Taxes – services airlines, insurance etc
- Capital Gains tax – a percentage of an increase in the value of assets/wealth

# Tax Breakdown

2021 Tax Brackets (Due April 2022)				
Tax rate	Single filers	Married filing jointly*	Married filing separately	Head of household
10%	\$0 - \$9,950	\$0 - \$19,900	\$0 - \$9,950	\$0 - \$14,200
12%	\$9,951 - \$40,525	\$19,901 - \$81,050	\$9,951 - \$40,525	\$14,201 - \$54,200
22%	\$40,526 - \$86,375	\$81,051 - \$172,750	\$40,526 - \$86,375	\$54,201 - \$86,350
24%	\$86,376 - \$164,925	\$172,751 - \$329,850	\$86,376 - \$164,925	\$86,351 - \$164,900
32%	\$164,926 - \$209,425	\$329,851 - \$418,850	\$164,925 - \$209,425	\$164,901 - \$209,400
35%	\$209,426 - \$523,600	\$418,851 - \$628,300	\$209,426 - \$314,150	\$209,401 - \$523,600
37%	\$523,601 or more	\$628,300 or more	\$314,151 or more	\$523,601 or more

2021 Long Term Capital Gains Tax Brackets			
Tax Bracket/Rate	Single	Married Filing Jointly	Head of Household
0%	\$0 - \$40,400	\$0 - \$80,800	\$0 - \$54,100
15%	\$40,401 - \$445,850	\$80,801 - \$501,600	\$54,101 - \$473,750
20%	\$445,851+	\$501,601+	\$473,751+

# Stocks & Bonds

## Investing

### Stocks

- Ownership
- What kind of company can I have a piece of stock in?
- Where can I find stocks at? (NYSE, Robinhood, TD Ameritrade)
- How old do I have to be to invest?
- How do I make money with stocks?
- Can I lose money?
- What are ways I can make Money?
  - Market, Ask, Bid, Close, Open

### Bonds

- Loans
- You are like a bank
- Does the company have to pay the loan back?
- What if the company doesn't pay the loan back?
- What are the pieces of a Bond?
  - Face Value (Premium), Market Price, Coupon, Yield
- What if the company doesn't pay the loan back?
- Are there different types of Bonds?



# Real Estate

## Parts of Real Estate

### Sell

Anytime you sell a product for more than you bought it you have made money.

- Sale by Owner
- Real Estate agent

### Rent

You lend out what you own. Someone pays you for using it.

- Rental
- Hotel/Motel
- Air BNB

### Mortgage

The bank loans people money to buy a home. The person who connects you to the bank gets paid.

- Mortgage Broker

### Insurance

To get a loan from a bank. To protect your home. Insurance is needed. A person provides insurance.

- Insurance agent

### Broker

You can help negotiate a sale of a home and get paid.

- Wholesale

# Entrepreneurship

## The Game of Life

**Using what we've learned let's begin The Game of Life**

- **College vs Work**
- **Home vs Away**
- **Income vs Loan**
- **Employee vs Business Owner**
- **Debit vs Credit**
- **Save vs Invest**
- **Rent vs Home**
- **Dream vs Reality**

———— THE ————  
**Salmon Insurance**  
———— Services ————



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