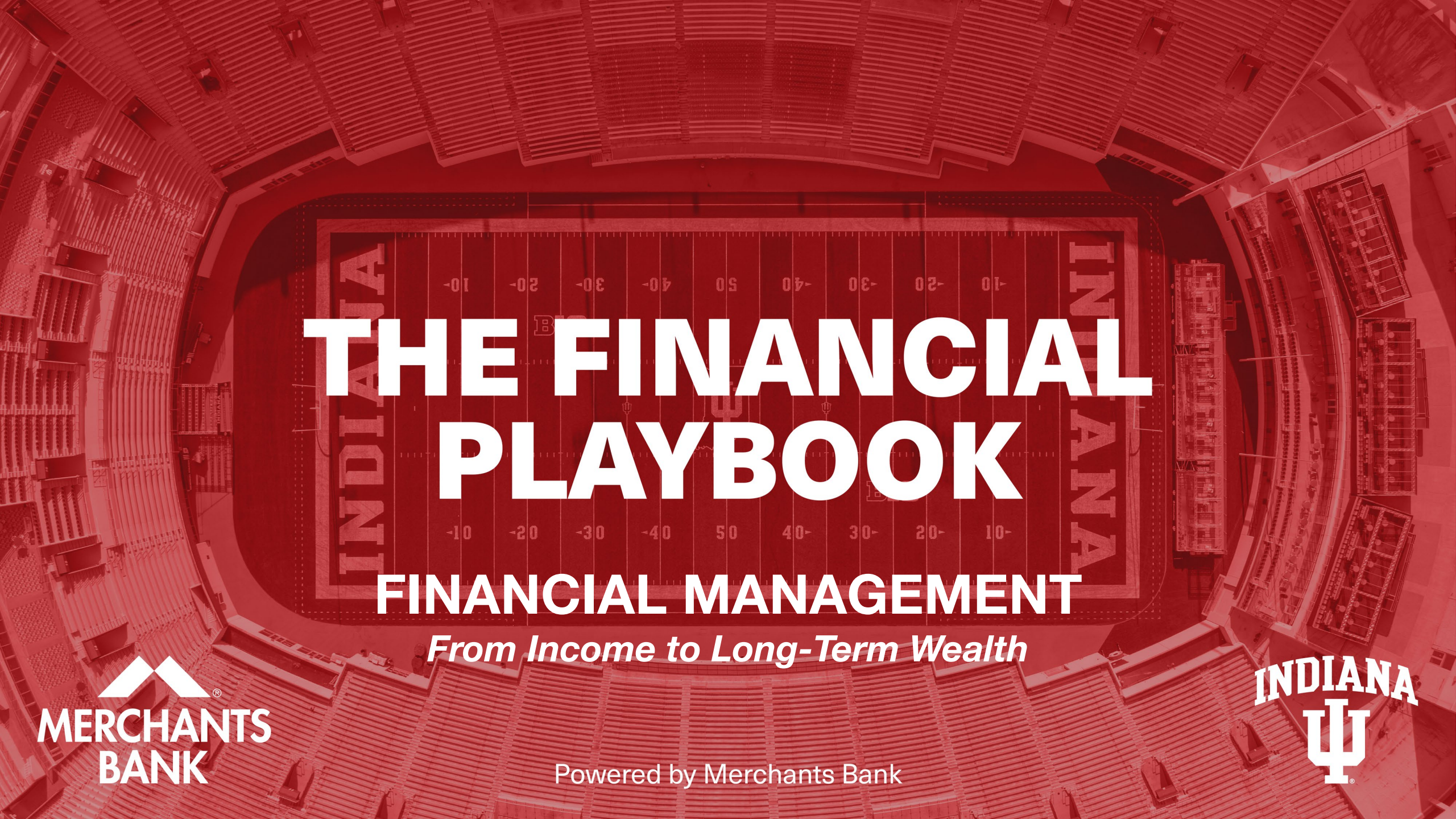


THE FINANCIAL PLAYBOOK

FINANCIAL MANAGEMENT

From Income to Long-Term Wealth

MERCHANTS BANK

Powered by Merchants Bank

INDIANA

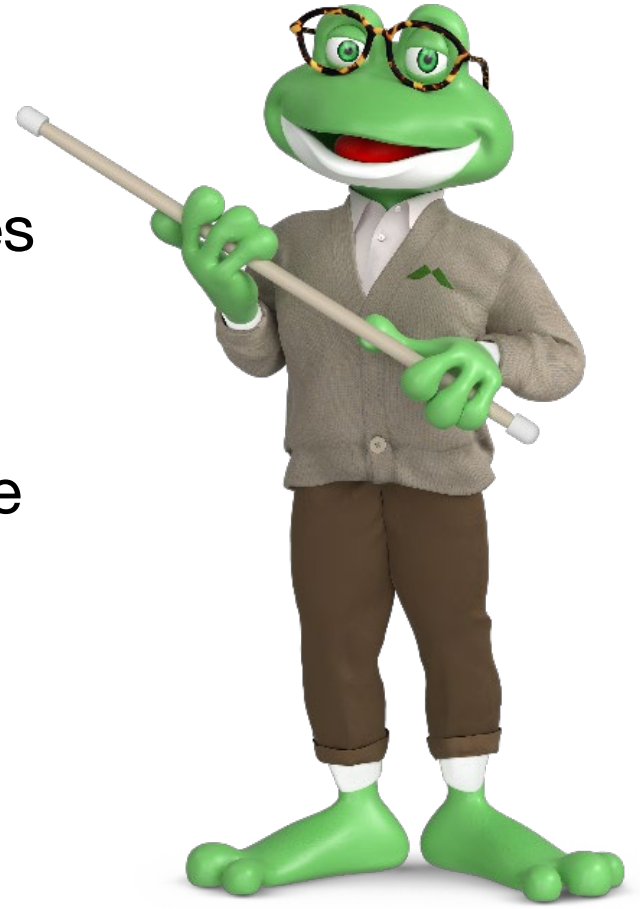
INTRODUCTION

Facilitator Introduction/Welcome

Financial Management

Goal: Provide long-term lens on money, building strategies and habits for growth and security.

- Basics of Banking
- Growth rates, compound interest, risk/reward balance
- Student-athlete income: how to build lasting wealth





UPCOMING TOPICS

SECTION 1	Thinking Beyond the Season
SECTION 2	What a Bank Actually Does
SECTION 3	Types of Accounts: Each Has a Job
SECTION 4	Protecting Your Finances
SECTION 5	The Wealth Mindset: Assets, Net Worth & Growing Wealth

SECTION 1

Thinking Beyond the Season

“Athletes think in short timeframes, but wealth grows over decades.”

THINKING BEYOND THE SEASON

Student-Athletes naturally understand short-term focus leads to delayed gratification:

- Daily practices to win a championship
- Daily coursework to earn a degree

Money works differently—it grows over decades.

> Most financial mistakes happen not from spending—but from short time horizons.



THE SHIFT

Financial success requires shifting from:

“How much do I have?” ⟶ “What is this money for?”

Money should be assigned a purpose based on time:

TIMEFRAME	PURPOSE
Now	Daily Life
Soon	Emergencies
Later	Opportunities
Future	Freedom & Stability



KEY TAKEAWAY

Income is temporary.

Structure and time create wealth.

SECTION 2

What a Bank Actually Does



CORE CONCEPTS OF BANKING

A bank is not just storage—
it is a system to organize financial life.

Banks allow you to:

1. **Store money safely**
2. **Move money easily**
3. **Access money when needed**
4. **Borrow responsibly**
5. **Track activity**

WHAT A BANK ACTUALLY DOES

Banks accept deposits and provide financial services such as credit cards, installment loans, and mortgages.



When income increases quickly, problems occur when money:

- Sits in the wrong place
- Is too easy to spend
- Isn’t organized

Key Takeaway: A bank account creates structure, not just access.

SECTION 3

Types of Accounts: Each Has a Job

*“TRAP! Keeping all **money** in one account makes every dollar feel spendable!”*

TYPES OF DEPOSIT ACCOUNTS

TRANSACTION ACCOUNTS (DAILY USE)

Checking Account

- Everyday spending
- Debit card purchases
- Bill payments
- Your operating account—not your savings account.

HIGH-YIELD SAVINGS ACCOUNTS (STABILITY)

HYSA / Money Market

- Holds money not for daily use
- Earns interest
- Reduces accidental spending
- Higher interest than traditional savings accounts

TIME-BASED SAVINGS

Certificates of Deposit (CDs)

- Set aside for a period
- Higher interest than traditional savings accounts
- Encourages discipline

CREDIT ACCOUNTS

Provide temporary access to funds and build credit history.

SECTION 4

Protecting Your Finances

BANKING TOOLS THAT PROTECT YOU

Banks provide systems that organize and monitor activity, preventing mistakes:

- Debit cards
- Online banking
- Alerts
- Automatic bill pay
- Transfers

Deposit Insurance: **Before money grows, it must be protected.** FDIC-insured banks, up to $250,000 per depositor, per ownership category.





PAYMENT APPS— DID YOU KNOW?

- Many payment apps are **not banks**.
- Money stored in payment apps is often **not protected by federal deposit insurance**
- Even when apps partner with banks, coverage can be limited or conditional
- Consumer regulators warn funds stored in these apps may be at risk if the company fails
- **Remember:** Payment apps move money. Banks protect money.

BUILDING A SIMPLE FINANCIAL STRUCTURE

- Checking → Daily Spending
- Savings → Buffer
- Emergency Fund → Protection
- Future Accounts → Growth

How you organize your money plays a key role in building financial stability.



SECTION 5

The Wealth Mindset: Assets, Net Worth, & Growing Wealth

“Income does not create wealth—assets do.”

ASSETS, LIABILITIES AND EQUITY

Assets create a financial foundation.

ASSETS

Something you own that has value

Examples:
Cash in your account
Reliable vehicle
Land/House

LIABILITY

Something you owe others, usually money

Examples:
Credit Card balance
Car loan/lease
Student loan

EQUITY

The value of an asset minus the liability related to that asset

Examples:
Car value $10,000 - $6,000 loan = $4,000 equity

$5,000 savings – $2,000 credit card balance = $3,000 equity

NET WORTH: THE REAL SCOREBOARD

- Net Worth = Assets — Liabilities
- Positive net worth creates stability
- Zero or negative net worth = instability

CALCUALTING NET WORTH		
BALANCE SHEET	**POSITIVE NET WORTH**	**NEGATIVE NET WORTH**
Total Assets	$100,000	$100,000
Total Liabilities	$75,000	$110,000
Net Worth (Total Assets - Total Liabilities)	**$25,000**	**$-10,000**

DISCUSSION QUESTION: If student-athlete income stopped today—what would still belong to you?

WAYS TO INCREASE WEALTH

- Spend less than you make
- Save consistently
- Pay down debt
- Build assets

Increasing Assets AND Decreasing Liabilities
=
More Net Worth and Wealth





CLOSING KEY TAKEAWAYS

Income creates opportunity.

Systems create stability.

Time creates wealth.

Questions?