



Personal Resources

Life Skills Frontier
(Adventurers Only)

Name _____

Because it is written with a mature preparation for manhood, this Trail Badge is to be earned only by registered Adventurer Trailmen.

Do all Foundation Activities (1-5)

- _____ 1. Where do all the physical things in the world we use and work with come from?
- _____ 2. Read Genesis 1:28-31.
 - _____ a. What do these verses say about whether or not we should use the natural resources of the earth?
 - _____ b. What does it mean to “subdue the earth and have dominion over it?”
 - _____ c. In the Trail Life Oath, what does it mean “to be a good steward of creation”?
 - _____ d. How is money used as a tool to place a value upon, acquire, and help exchange wealth and natural resources?
- _____ 3. Read 1 Timothy 6:9-10.
 - _____ a. What does this verse say about money?
 - _____ b. How can this verse be easily misunderstood?
- _____ 4. Read Mathew 19:23-26.
 - _____ a. Discuss the need to acquire wealth and the dangers of becoming rich.
 - _____ b. Research if there were godly men of great wealth in the Old and New Testaments of the Bible.
 - _____ c. Discuss how much more effectively you can feed the poor, care for widows and orphans, support missionaries, and be generous with others when you have wealth.
- _____ 5. Do one of the following activities: **5a or 5b**
 - _____ a. Participate in a discussion about the issues in requirements 1-4 above with your patrol, Troop, family, or another group.
 - _____ b. Write a paper or prepare a presentation about what you learned from your research and thinking about the above issues in requirements 1-4 above.

Do All Time Management Activities (6-9) sequentially

- _____ 6. Make a prioritized list of activities and tasks for a week.
- _____ 7. Make a schedule for that same week showing, at a minimum, school, church, meal times, exercise, activities, and tasks.
- _____ 8. Follow your schedule and check off items on your list as they are completed. Note which items went as planned and which, if any, were late or took longer than expected.
- _____ 9. Tell your mentor what you learned from this exercise and discuss whether you are more schedule or task-oriented.

Do One (1) Option in Money Management, do either 10 or 11-14

_____ 10. Option 1: Money Management Course

Complete a biblically based money-management course for teens that covers the topics in this section such as Dave Ramsey's *Foundations in Personal Finance: High School Edition for Self Study or for Homeschool*.

Option 2: Money Management Forums

Complete the Money Management Forums and Activities requirements below in part or in full by independent study, school coursework, with your patrol, or in a group communicating via the Internet (e.g. videoconferencing).

Do all Money Management Forums (1-4):

In a forum, everyone studies beforehand and then they discuss the issues. Rotate the forum facilitator for each topic.

_____ 11. Economic Stewardship Forum Topics

- _____ a. Concept of stewardship
- _____ b. Difference between the things you want, the things you need and things you should share
- _____ c. Danger in finding your value or identity in material things instead of Christ¹
- _____ d. Explain the importance of charitable giving²

¹ Identity in Christ - Genesis 1:26-27, Psalms 139:13-16, and Matthew 10:29-31

Materialism and Contentment - Matthew 6:19-34 and Philippians 4:11-13

² Charitable Giving - Leviticus 27: 30-32, Psalms 24: 1-6, Matthew 6:1-4, Mark 10:17-25, 2 Corinthians 9:6-8

_____12. Insurance Forum Topics

- _____a. insurance is meant to protect against what?
- _____b. Discuss which of the following types of insurance you need and under what circumstances:
 - _____i. Life and Health Insurance: life, health, disability, accidental death and dismemberment, and long term care.
 - _____ii. Personal Property and Casualty Insurance: homeowners, renters, auto, personal umbrella, recreational vehicle, boat owners, jewelry or other fine arts.
 - _____iii. Business Property and Casualty Insurance: general liability, professional liability, umbrella liability, workers compensation, property, and industry specific policies.

_____13. Debt Forum Topics

- _____a. Consequences when expenses exceed income and the possible causes being in debt
- _____b. Explain these types of debt, their advantages and disadvantages:
Mortgage, auto loan, home equity loan, credit card
- _____c. Why credit card debt is especially dangerous
- _____d. Difference between a debit card and a credit card
- _____e. Alternatives to going into debt for a purchase
- _____f. What steps can be taken to get out of debt?
- _____g. How a budget helps you to avoid debt

_____14. Investment Forum Topics

- _____a. Discuss the advantages, disadvantages, and expected rates of return for:
 - _____i. Stocks
 - _____ii. Bonds
 - _____iii. Mutual funds
 - _____iv. Certificates of deposit
 - _____v. Money market accounts
 - _____vi. Bank savings accounts
 - _____vii. Annuities.

Do all Money Management Activities (15-17)

_____ 15. Category 1: Budgeting (**Do one: 15a, 15b, or 15c**)

- _____ a. Pick two jobs or businesses
- _____ i. Compute the cost to get into each job (school, training, tools, equipment, business start-up costs, etc.).
 - _____ ii. Determine pay or typical net income.
 - _____ iii. Ignoring interest, determine how long it takes to earn back your start-up costs using 25% of income.
 - _____ iv. Compare start-up costs and time to pay them back.
- _____ b. Develop a budget for you as a single 25 year old not living at home.
- _____ i. Pick a job.
 - _____ ii. Research average pay.
 - _____ iii. Make complete budget including:
 - Housing – rent or mortgage (no more than 25% of gross income)
 - Utilities (electric, gas, phone, Internet, cable, etc.)
 - Food, clothing, and hygiene supplies
 - Auto (loan payment, gasoline, insurance, maintenance, licensing)
 - Other transportation (bus, train, etc.)
 - Health (insurance, doctor/dentist visits, drugs, etc.)
 - Fun (travel, movies, eating out, and other entertainment)
 - Education and training
 - Charitable giving (church, missions, and other charities)
 - Taxes (income, FICA, self-employment, property, miscellaneous state taxes)
 - _____ iv. Compute the percentage of your gross income budgeted for each category and present in tabular or graphical form (e.g. a pie chart).
- _____ c. Develop a three-month budget and track your income and expense.
- _____ i. Create a three-month budget for all of your income and expenses, including spending, saving, and giving.
 - _____ ii. If you do not have one, set up a checking and a linked savings account to use for this activity.
 - _____ iii. Track your actual income and expenses for three months.
 - _____ iv. Deposit your saving amount in your savings account and some of your giving or spending amount in your checking account.
 - _____ v. During the three months, write several checks, make several deposits, keep a checkbook, and balance your checkbook with the monthly bank statement.
 - _____ vi. After one month, explain to your mentor any deviations from your original plan including unexpected expenses.

- _____vii. Adjust your budget based on what you learned from the first month.
- _____viii. At the end of three months, explain any deviations from your adjusted plan including unexpected expenses.

_____16. Category 2: Investments **(Do one: 16a, 16b, 16c, or 16d)**

- _____a. Play an online virtual Stock Exchange game.
 - _____i. Play for at least three months to see some of the long-term effect of the market.
 - _____ii. Have your Mentor set up a game for all in your Unit working on this badge or include multiple units to have enough players.
 - _____iii. Check at least weekly on your investments and make any adjustments you think will help your portfolio grow.
 - _____iv. Discuss the results at the end, comparing how each person did with his strategy.
- _____b. Play the Portfolio on Paper investment game for at least three months.
 - _____i. You have \$5,000 in pretend money to invest in the stock market.
 - _____ii. Investigate companies in which you would like to invest.
 - _____iii. Create a portfolio on paper or on the computer and track your virtual investment.
 - _____iv. You may sell and purchase new stocks as often as you wish but you must deduct \$10 each time you do so.
 - _____v. At the end of the game, evaluate the income and change in your investment value.
 - _____vi. Compare your results with others in your Unit who also complete this exercise.
- _____c. Select a buy/sell rule and analyze five (5) stocks and a market index fund using one year of historical data to assess how well the rule worked over that year for the 5 stocks and the index fund vs. a buy and hold strategy.
- _____d. Assume that right now you are retiring at age 67 after having worked and paid into social security for 45 years. Do the following:
 - _____i. Compute your approximate social security benefit and life expectancy. <<https://www.ssa.gov/planners/benefitcalculators.html>>. From those compute the present value of your expected social security payout.

- _____ ii. Select two stock indexes or funds that have existed for at least 45 years and collect a value for each year (same date such as year-end). For each stock index or fund, compute the present value of annual investments of your total annual social security part of the FICA payroll tax. Use the sum of the employee and employer's share (the self-employment rate) of the social security part of FICA payroll tax. Use the current combined tax rate of 12.4% for all years and the income level(s) you assumed for the social security benefit calculation.
- _____ iii. Compare the present values from i and ii above and discuss the results.

_____ 17. Category 3: Debt **(Do one: 17a or 17b)**

_____ a. Student loan payback analysis

- _____ i. Choose a field of study and associated business or career. Determine the current average annual pay for that career or business.
- _____ ii. Pick two schools with significantly different annual costs.
- _____ iii. Total up those costs and determine a reasonable amount per year you can pay for school.
- _____ iv. Assume the remainder is funded with student loans and total the loan amount for each school.
- _____ v. Look up the current student loan rate and compute how long it will take to pay each loan back at ten percent of your income.

_____ b. Compute the monthly payment and total interest paid for the following loans and explain what you learned from this exercise.

- _____ i. 15-year mortgage of \$100,000 at 5% annual interest (180 monthly payments)
- _____ ii. 30-year mortgage of \$100,000 at 5% annual interest (360 monthly payments)
- _____ iii. 15-year payoff of \$20,000 credit card debt at 20% annual interest (180 monthly payments)
- _____ iv. 30-year payoff of \$20,000 credit card debt at 20% annual interest (360 monthly payments)

Do All Communication Activities (18-19)

- _____ 18. Document one money management activity in a short written report including graphics to communicate the results.

- _____ 19. Present the findings of either the same or a different money management activity in a short presentation to your Mentor and patrol.

Trail Badge Mentor Signature

Date

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