



# Your financial position is about to change

Your income is decreasing and your bills keep coming. Knowing what to do next will help you weather the storm.





# Step-By-Step:

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## Change Your Mindset

### **Don't ignore your situation**

It is easy to turn a blind eye to finances but they will catch up sooner or later. It is important to confront it when it starts.

### **Accept that things must be different**

Lifestyle choices will have to change. Routines will be disrupted.

Be open and talk with your family about the changes that will need to occur.

### **Be realistic**

It is hard not to do but try not to panic.

Panic causes destructive behaviors and can often worsen your situation.

What you can see you can manage, what you ignore manages you.

# Step 1

# Monthly Spending Plan

Determine your new income and expenses

### Income

Monthly Take Home Pay (after taxes)

Self	
Spouse	
Second Job	
Child Support	
Other (including cash)	
Last year's tax refund	

*Put minus if you are paying child support*

### Pay Frequency (check one)

Daily	
Twice a Month	
Weekly	
Bi-weekly	
Monthly	

HOUSING EXPENSES	Monthly Payment	Amt. Past Due	Due Date
Rent			
Electric			
Gas/Heat			
Water/Septic			
Landline Phone			
Cell Phone			
Cable (put in amount of bundle)			
Internet			

VEHICLE EXPENSES	Monthly Payment	Amt. Past Due	Due Date
Payment- Auto 1			
Payment- Auto 2			
Other vehicles			
Car Insurance			
Repairs (oil change, registrations)			
Gas			
Bus Pass			
Taxi			

LIVING EXPENSES	Amount
Groceries	
Eating Out	
Child Care	
Diapers/Formula	
Cigarettes	
Clothing	
Laundry	
Personal Care	
Prescriptions	
Medical Insurance	
Life Insurance	
Dental/Vision Insurance	
Pet Expenses	
Gifts	
Subscriptions	
School Expenses	
Church/Charity	
Entertainment/Recreation	
Savings	

Vehicles:	Value	Amount Owed
Car 1		
Car 2		
Other		

### Other Assets of Value:

\_\_\_\_\_

\_\_\_\_\_

**401K:** \_\_\_\_\_

**Retirement Fund:** \_\_\_\_\_

**Savings :** \_\_\_\_\_



# Assess Your New Spending Plan

### Establish a new household budget

- ▶ **How much income you can really count on?**
- ▶ **How long will your income be reduced?**
- ▶ **What are your fixed expenses?**
  - Rent/Mortgage
  - Utilities/Phone Services
  - Loans/Credit Cards
  - Subscriptions/Rentals
  - Insurance
  - Other debt payments

- ▶ **What are your flexible expenses?**

Make sure necessities are taken care of!

The third largest expense in a spending plan is food, but it is also the most flexible! Find ways to save on your grocery bill and limit convenience foods (eating out, gas station runs, etc.)

Here are a few free helpful resources:

**MyFridgeFood.com** is a great resource that allows you to choose from an online pantry of items and then generates recipes based on those ingredients.



#### **Ibotta or Fresh Rewards Apps**

Cash back opportunities in your area.



#### **Makeena**

Find great deals on healthy foods.



#### **Food on the Table**

Shopping lists, recipes, ingredients and local deals.

## Step 3

# Find ways to create room in your budget

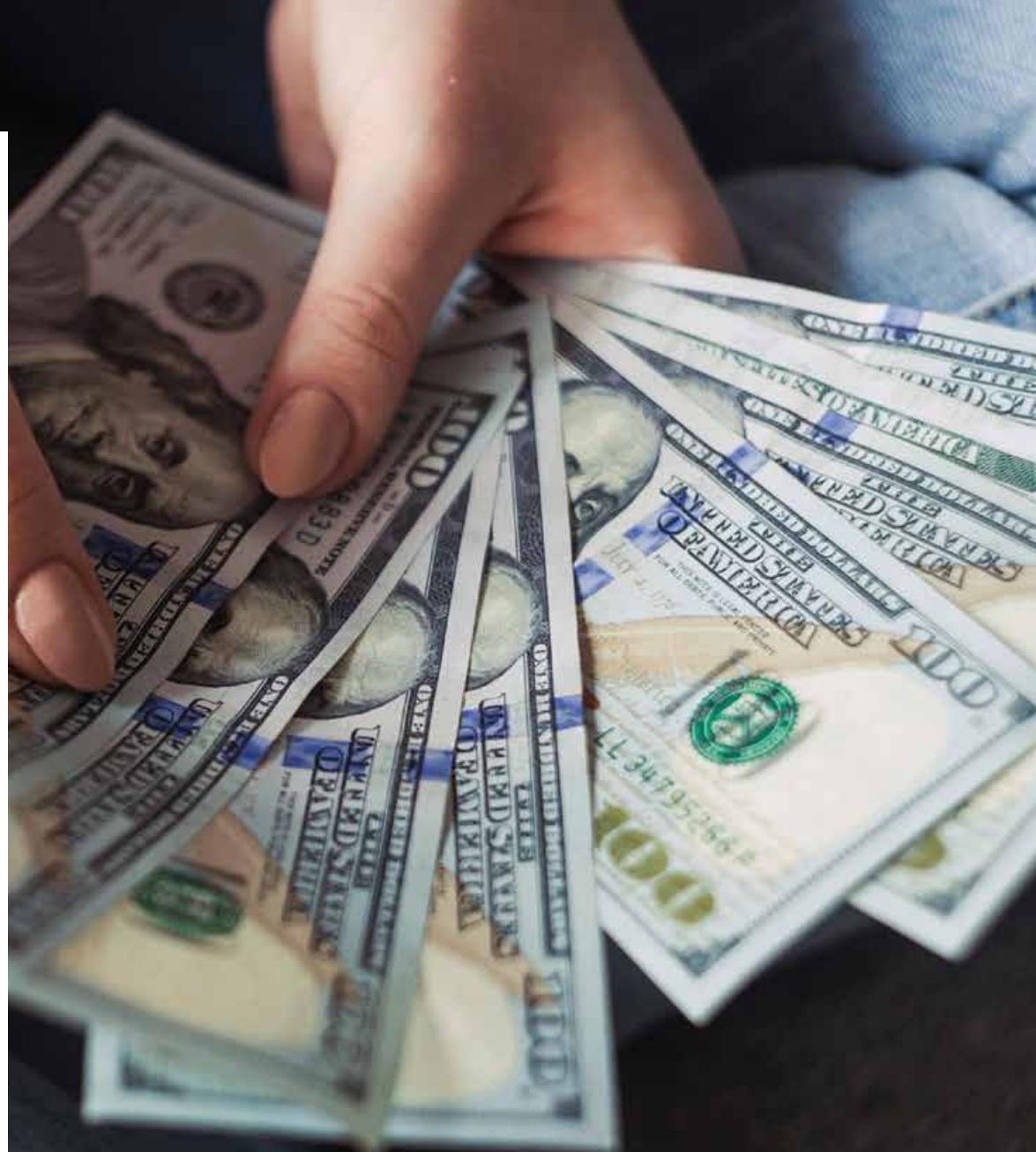
Help repair your finances by taking an inventory of your assets and consider:

1. Do you own any items you can part with which you might be able to sell?
  - clothes or toys your family has grown out of
2. Do you have any talents you can use to make additional income?
  - craft projects, handyman skills, babysitting
3. Are you paying for any services, memberships or subscriptions you can temporarily (or permanently) suspend?
  - fitness center, tv subscription, magazine subscription



### TIP:

Start by identifying if something is a want versus a need. If it's a want, can you do without it, even for a little while, until your income returns to normal?





## Step 4



# Review all your current obligations

Poor payment history impacts your credit score

### Prioritize your creditors

1. Assets you need to keep (home, auto, etc.)
2. Bills that must be paid (cell phone, car insurance, etc.)

### Talk to your creditors - before you get behind

1. Discuss payment relief programs.
2. Be realistic and honest with your creditors.



### Housing

Make sure your housing payment is your number one priority. Some landlords or lenders will move into the eviction or foreclosure process very quickly!

There are resources for necessities in this guide that will help put food on the table so you can pay your house payment on time.



### Student Loans

Federal student loans have many options when financial situation changes. All FREE resources are found on the Federal Student Aid website to help you defer payments or get on a lower repayment plan that fits your income.

Missing a student loan payment can create negative marks on a credit report and lead to paychecks and tax returns being garnished.

## Seek help from resources/people you can trust

### Necessities

- ▶ Visit <http://211.org/> and enter your zip code



They can connect you with the LOCAL resources available to help them with rent, food, utilities, etc.

- ▶ **Utilities**

Utilities often go unpaid because the timeframe of when they will shut off services is not always as strict.

Consider applying for energy assistance through your county. Energy Assistance income limits are much higher than they are for Food Share benefits or medical insurance.

If you do not qualify for assistance, again, communicate with your electric, gas, cell phone, or cable company.

- ▶ **Consider apply for temporary state assistance.**

Medical insurance and food share are available if your household income dips below the poverty line.

Your local county Human Services Department can help guide you.

### Financial Counseling Resources

Sometimes it is nice to talk to a third party about what is going on financially. Thoughts of income drops and bills chasing you can lead to larger health issues because of lack of sleep and increased stress levels. These are some FREE resources to help you:

- ▶ **Marine Credit Union Foundation**

Call 608-791-1385 or email [Finding.HOME@MarineCU.com](mailto:Finding.HOME@MarineCU.com)

- ▶ **GreenPath Financial Wellness**

<https://www.greenpath.com/request-a-call/>

Counseling Hours

Monday-Thursday 7:00 am - 9:00 pm

Friday 7:00 am - 6:00 pm

Saturday 8:00 am - 5:00 pm

877-337-3399

- ▶ **National Foundation for Credit Counseling**

<https://www.nfcc.org/>