

MONEY SENSE

Genesis
FINANCIAL MANAGEMENT INC.

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NEW BEGINNINGS, DEBT FREE

Coping With A Job Loss- First Steps Are Key to Staying Afloat

Feelings of uncertainty and fear can be crippling if you lose your job; you may just want to hunker down and let the storm pass, but doing nothing will only exacerbate an already-difficult situation.

When your regular paycheck suddenly stops, you need to consider what possible sources of income you have available to you. This means exploring the option of filing for unemployment. If you are eligible to collect unemployment, after you file for benefits, you will receive a document known as a "Statement of Wages and Hours" that details how much you are potentially eligible to receive. This amount will vary based on your personal circumstances and the state in which you live. If you receive a severance package from your employer, you still may qualify for unemployment benefits depending on where you live. And don't forget about collecting any unpaid vacation time that you may have accrued. Add these figures to what you have saved in an emergency fund to get a sense of how much you have to work with while you look for a new job.

Next, you need to sit down as a

family to discuss your current financial situation. Too often, people who have experienced a job loss keep spending as usual, which can quickly deplete your cash reserves and leave you even more financially vulnerable. Everyone, including children old enough to understand basic financial concepts, needs to understand that all unnecessary spending has to be slashed immediately. Be sure to include your teenagers in the discussion too, so they are fully aware of the changes. If they are working, you may need to shift some financial responsibilities to them, asking them to pay for their own car insurance or fuel, for example.

As a family, create a budget that reflects the spending that is absolutely necessary right now: your rent or mortgage, basic food needs, and utilities. This is crisis budgeting, so you need to keep this in mind as you're determining what your needs are. For example, if you're normally accustomed to buying items such as convenience foods, snacks, juices, and soft drinks, you need to make a conscious decision to focus on meeting your nutritional needs in the most economical way possible. Buy whole, unaltered foods as affordably

as you can. Put a carefully considered and realistic figure down for your food budget.

Once you have created a bare-bones budget, you need to look at what you have left to pay your creditors. And then you need to begin contacting each and every one of them to explain your situation, as difficult as this may be for you. Be ready to respond to creditors' questions about when they can expect you to send a payment and how much you're planning to send. Most likely, your creditors will ask you to pay something towards your obligations, but don't promise to pay more than you can afford, even if you're feeling pressured to do so. Failing to pay as agreed only serves to damage your credibility with your creditors, and you may find that they become less willing to work with as you try to repay what you owe.

Being proactive is the best way to get back on your feet as quickly as possible.

-Article contributed by the American Center for Credit Education-

Payment Address

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Do you know someone who's struggling with debt right now? Maybe frustrated by not being able to keep up with payments or by repeated phone calls from creditors? Times are tough, but Genesis might be able to help make it easier to pay the bills. A referral to our debt management program is the highest form of compliment! If you have a friend, relative or co-worker that could benefit from our services, have them give us a call!



The Busy Family's Guide to Money

Advice about money—how to manage it, what to do if you lose it, where to (and where not to!) save it, and what the current economic situation might mean for you—is plentiful these days. It's easy to feel overwhelmed. If you're looking for something simple and straightforward to help you make sense of it all, one good resource is *USA Today's* recently published book, "The Busy Family's Guide to Money." This is a good overall guide to money management that breaks down hot topics like mortgages, student loans, investing, etc into easy-to-follow chapters packed with web site resources, checklists, charts and worksheets. It just might be the tool that helps you take charge of your financial future.

Be Money-Smart!
Resources
abound to help
you hone your
financial knowl-
edge. Go online,
take a class and
take control!

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A Little Knowledge Can Be Powerful

This current economic mess we're in has already taught us a number of hard lessons— not the least of which is that when it comes to our money, we can't rely on others— be they bankers, credit issuers, investment advisors or others— to tell us everything we need to know about our financial choices and their consequences. The bottom line is, we need to educate ourselves about the financial issues that impact us so that we can make informed choices that have a positive outcome.

Financial literacy is not a new trend but certainly one that is gaining momentum right now. Non-profits, governmental groups and

consumer advocates alike agree that it's important for us to be informed consumers when it comes to managing money, borrowing money and making spending decisions. The President actually established a formal Advisory Council on Financial Literacy in January of 2008 that is charged with promoting financial education.

The truth is that it's better to be proactive when it comes to money than reactive. Better to know in advance how to tell if a loan is a good deal or a bad deal than to find out later that the interest rate can vary or that you're stuck in a high-cost, long-term debt situation.

Financial education is not just for people already in trouble. In fact, it can do the most good when you take advantage of it early— before you apply for that next credit card or if you think you may be in for a lifestyle change.

Chances are, with a little research, you can find a wealth of resources in your community or online. Many organizations, like Genesis, offer free financial workshops on topics ranging from budgeting to understanding credit histories to coping with identity theft.

A little knowledge can be empowering. Put yourself in the driver's seat!

Financial Education on the Web

Ok, so where do you start to find information online that can help you bone up on your financial knowledge? There are a vast number of websites devoted to various financial topics. Here are a few we'd recommend:

YourGFM.com— our website has recently been redesigned to include even more

great tools, like calculators, articles and links. Check out the "E-Learning" Center.

Extension.org— objective, unbiased articles and tools compiled by Extension educators around the country

Ftc.gov— the Federal Trade Commissions' site, loaded with brochures and fact sheets on everything from buying a car to identifying

financial scams.

Consumer.gov— the federal government's site for consumer-related articles, tips and links.

Wife.org— the Women's Institute for Financial Education. Although promoted to women, the information on this site is beneficial for everyone!

Please Note: Member Benefits Can Help in Tough Times

If you've been participating in the debt management program for at least three months and you lose your job, you may be eligible to take advantage of a very important feature of your Member Benefits Service. Member Benefits— which is made available to all new clients— provides insurance that will cover up to \$400 of

your debt management program payment for up to 90 days should you become unemployed— and eligible for unemployment compensation— while on the program. This could be a much-needed safety net when times are tough.

If you haven't reviewed the Member Benefits web-

site in awhile, take a look. You can access it from the homepage of our website, and you just might be surprised by the breadth and depth of money-saving opportunities you find there! For help in accessing the site, you can contact our Client Services Department at 800-460-8641

Visit our New and Improved Website: www.YourGFM.com

