



Managing Your Money Through Tough Times

Managing your money can be a challenge, especially when money is tight. Tough financial times while stressful, can also be an opportunity to make changes in your life that can help you make a positive impact on your overall personal financial picture. Here are some steps that can help you struggle less throughout these challenging times

Talk with your family about the situation and set goals as a group so that everyone understands and supports the decisions being made.

Don't take on additional debt

When you have lost a job, the paychecks may stop coming, but the bills don't. If you don't have enough to cover your monthly expenses and pay creditors, you may be tempted to use credit cards, take out a home equity loan or borrow money to cover those expenses. Unless your situation turns around quickly, more debt only creates bigger problems. If you think you may have difficulty with payments to creditors, talk to them right away. Have these conversations before you fall behind on payments.

Act quickly to cut expenses and make a spending plan so you can pay bills when they are due. Studies have found that many families do not adjust their lifestyle to cut spending until about six months after a drop in income and that can bring disaster.

If you're considering selling assets, delay as long as possible, especially those assets with tax consequences.

Discuss your family's employment situation

Consider whether income can be generated by overtime or reviewing monthly employer deductions.

Find out what community resources are available to help extend family resources.

During times of financial stress, it is especially important that you educate yourself about money management if you want to improve your financial situation. Just because the economy is hurting, that does not mean that you have to suffer financially as well. If you get a handle on your financial situation now, you will notice a big difference in your stress level later.

Resources

Saving

66 Ways to Save Money
http://edis.ifas.ufl.edu/document_he734

Money Management Makes Cents
<http://edis.ifas.ufl.edu/pdf/files/fy/fy57900.pdf>

Spending

Leaks in Spending
http://edis.ifas.ufl.edu/document_fy580

Your Spending Plan
http://edis.ifas.ufl.edu/document_he713

Smart Shopping
http://edis.ifas.ufl.edu/TOPICTOPIC_Shopping

Debt

How to Manage the Foreclosure Process
<http://edis.ifas.ufl.edu/FY1034>

Pay Down Debt Online Workshop
<http://paydowndebt.unl.edu/index.html>

Money Problems
http://edis.ifas.ufl.edu/document_he155

Managing Debt in Tough Times
http://www.extension.org/pages/Debt_Management_in_Tough_Times