

# EAP Matters

## Figuring-out Finances

You might ask yourself: “Am I the only person in the world with money problems?” No, you’re not! Every month, more than 7 million people have trouble paying their bills. So, if you find yourself worrying about debt, below are a few things you can do.

**Pay** more than the minimum on credit cards—you’ll pay less interest.

**Move** your balances to a lower interest card: Pay attention to your interest rate!

**Cash** from your savings account: Pay off debt with savings rather than paying high interest.

**Borrow** against your life insurance, mortgage or thrift savings: Interest rate is typically lower and you repay yourself. Mortgage borrowing is tax deductible.

**Renegotiate** terms with creditors: Let your creditors know your situation. Appeal to their desire to receive some payment before you consider bankruptcy.

**Consider** using a consumer credit counseling service (CCCS), such as Springboard (800.431.8157 or at Credit.org—EAP recently verified this resource). Google search ‘Consumer Credit Counseling Services’ for other debt management resources.

If you are not concerned with debt but would like to make your money work better for you, here are some ideas:

Set goals: Short, mid and long-range financial goals that are realistic and attainable. Develop a plan to meet current and future expenses.

Follow your spending plan: This is the hardest part! Know where your money is going.

Keep your spending plan in balance: Don’t spend more than your income!

Pay yourself first: Make sure you have a savings plan. Ideally you should have at least a three-month cushion.

Pay your bills on time: Avoid late charges.

Prioritize your expenses: Take care of NEEDS before your WANTS.

Use credit wisely: Don’t allow more than 25% of your take home pay to go towards debt (not including housing).

Include the whole family: Include every member, even children, in the budget and saving plan.

Your Employee Assistance Program understands the stresses involved when personal finances become stretched. Call EAP (320.484.4555) to explore strategies/resources that can help you regain control of finances.