

## Triaging Your Finances in Times of Uncertainty

The Corona Virus has sent shockwaves through our communities and impacted numerous facets of our everyday lives in ways we could not have imagined as we entered the New Year. “Stay Home, Work Safe” declarations have changed the way we school our children, interact with friends and family, and carry out the work that pays the bills. For some of us, COVID-19 went even further, either reducing or removing the opportunity for gainful employment entirely and without warning. A shock that impacts our ability to earn an income can be paralyzing. It’s okay to feel defeated and scared. This season will pass. The goal now is to equip you with the skills to weather this setback. Pick yourself up, and let’s get to work.

### Key Take Away: Cash (Flow) is King, Control It

Finances come down to two variables: 1) what comes in and 2) what goes out. That’s it! Your “what comes in” number drops when you lose a job (lay-off or furlough) or see a reduction in hours. If this describes your present situation, there are two options: increase your income or decrease your expenses.

#### Option One: Increase Income.

Unemployment: If you have lost your position or have seen a reduction in hours, you are not alone. Millions of workers are right there with you. We have access to government programs that provide a safety net when these types of events occur. To get started, go online to: <https://www.twc.texas.gov/jobseekers/applying-unemployment-benefits>.

Job Hunt: This is a unique economic environment. We have seen some industries decimated, while others are expanding to fill the need. Opportunity is there; it may just require a temporary shift to a new field. Again, I’m not suggesting you leave your current career, but if the job market is tight, let’s take what we can find so we can pay our bills. Once this downturn passes, and it will, there is no reason why you cannot transition back to your previous industry. See it for what it is, not a career change, but a necessary and temporary pivot. In that pivot, you may even find a new career interest.

#### Option Two: Decrease Expenses.

Focus on Essentials: Print out your bank and credit card statements from the past two months and go line by line, asking the question, “Is this essential?” The term essential has changed quite a bit; what my mother would say is a necessity is very different from mine. Focus on food and shelter (mortgage/rent, utilities, and insurance), then expand as you are financially able. Cell phone, cable, and internet are luxuries when funds are tight. A piece of advice: cut deep once. It is far better for morale to add services as your financial situation improves than to find yourself continually cutting them.

Tidbit: If you are homeschooling children and need internet access, call the local ISD and see what programs are available for people in your situation. Call the cable company too. I recently saw an add from Spectrum that would give low-income households free

internet, so students have access to online learning options. If you have wi-fi at the house, do you need the unlimited data package for your cell phone?

**Renegotiate:** Very few companies are thriving right now. Most are focused on survival, which means client retention is vital. What expenses do you have that you can renegotiate or shop around? Some examples that are always open for negotiation are your cable and cell phone bills, electric rates, gym memberships, and home/auto insurance. Go through your spending, and if you are not quite willing to cut it from the budget, see if you can reduce its impact.

**Delay the Debt (Payments):** To whom do you owe money? The government has already given most student loan borrowers a six-month reprieve on payments, and many other financial institutions are following its lead. Do you own or rent? Reach out to your lender or landlord. Other options may include auto loans, credit cards, and installment loans. Start by logging on to your lender's website. Most have a box that discusses their COVID 19 program. It never hurts to ask what a lender is willing to do. Ask about temporarily lowering your payment, ore interest rate. Be sure you realize this is only a short-term reprieve. Delaying now means paying later, but right now, you are looking to find ways to bring cash back onto the budget.

**Other Thoughts:** There are many reading this that have amazing talents and gifts *and* have a way to earn an income from them right now. To you I say, hang a shingle (start your company) or go old school: trade and barter. Think services for services and services for meals/etc. Finally, if you have kids at home, look into the breakfast and lunch programs at your local ISD. Many schools allow children up to age 18 to take part in these meal programs. A couple of meals a week is sure to help your food budget.

If you read this article and thought to yourself, "I need a little more guidance," please reach out. I'm happy to help as I am able. Do you have a question that others are probably asking themselves? Shoot me an email: [cmessemer@lakechurchdfw.org](mailto:cmessemer@lakechurchdfw.org). Our goal is to provide a weekly stewardship e-mail to encourage you during this time. Do you have some great tips on trimming the budget, deal hunting, or adjusting to a new normal, I'd love to hear it. Finally, if stewardship is on your mind, The Lake has built a stewardship curriculum, entitled Tier 3, that we are happy to share with you for FREE! Just shoot an email to me, and I can get you a link.

Thanks for your time, and remember the Great I AM's Got This.



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