

How to Create A Budget During Difficult Times

Many people are seeing changes in their purchasing power with continued inflation and rising interest rates.

Paying more for food, gas, utilities and a variety of other goods and services affects all of us. In addition, consumer debt has never been more costly. With a little planning and intention, it is possible to prepare and manage household budgets to smooth out a potentially bumpy ride ahead.

1. Start with Priorities

One of the best ways to cope with inflation is to take the time to prioritize monthly spending. A spending plan helps to ensure that what you spend matches what you make each month as prices rise. For instance, if you set aside a specific dollar amount for monthly gas purchases, you can juggle other expenses as they come up by sticking to spending limits.

Knowing spending priorities can also help reduce the potential of adding to credit card balances.

To get started, check out [GreenPath's Aligning Priorities worksheet](#). With the input of our counselors and educators, a specially designed guide aims to give a greater sense of ease and control when making choices of how you will spend the money you have.



GreenPath Financial Counselors are a free financial resource. Don't wait to call.

877-337-3399

2. Set and Stick to A Shopping List

Once you know what you have to spend and have built a simple spending plan that makes sense for you, take some time to list out your purchases.

Using a shopping list can be the most powerful way to manage finances especially in the face of rising prices.

Take inventory of what you already have specific to products with high in prices and make a list of what you need. If possible, plan your weekly meals and check to see if you have all the necessary ingredients. Keep informed about what products are anticipated to go higher in price over the upcoming weeks and months. Cross-reference your list with deals and sales.



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3. Stay Flexible

Making your list sets you up to stick to it – but stay flexible. You might have to go to a few stores for the best sales, coupons and specials to see if you can win a few extra savings points, especially on products that are low in inventory.

Be flexible when it comes to timing your purchases. Do you really need that item right now? Wait for something to go on sale to buy it.

Manage Through Life's Ups and Downs

A time of inflation, as well as rising interest rates, can cause stress and worry.

GreenPath is a trusted national nonprofit with a team of people from your community, committed to helping you ease financial stress and uncertainty. Ask your institution to connect with GreenPath for the tools to accomplish your financial goals.



GreenPath has a team of people ready to help you with the pressures of stress caused by money and access clearer information. Our vision is a world where people are better prepared for the ups and downs of life and where we have the tools to achieve our financial goals.

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SPENDING TRACKER

Using a spending tracker will give you an accurate picture of where your hard-earned money is going so you can make choices on where you would like it to go. Gain control over your finances by taking a few minutes each week to fill in the tracker. If you prefer a digital option, check with your financial institution or search "expense tracker" on your smart device in the app store.

Determine the expense categories you should include in your tracker. Also, determine how specific you want the categories to be. Ex. Transportation vs breaking down into specific categories, car, gas, insurance, maintenance, public transportation.

GreenPath's counselors can help you put together a budget that would fit your needs. Call today.

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categories



Housing: Rent/ mortgage, HOA fees, insurance, and property taxes



Utilities: Electricity, gas, water and sewage, cable, internet, phone



Transportation: Car payment, gas, insurance, maintenance, transit fares, ride services



Groceries: Food, beverages, personal care expenses and household supplies



Medical: Co-payments, medication, eye care, dental care, over-the-counter medical needs, insurance premiums



Dining out: restaurants, fast food, carry out, and delivery



Entertainment: Movies, concerts, sporting events



Memberships and subscriptions: Box stores, streaming services, box subscriptions



Education: Tuition, school supplies, lunch money, activity fees



Child care: before or after school care, full time care, and for purposes of entertainment



Pet care: Food, treats, toys, grooming, and vet bills



Debt repayments: Credit cards, loans, medical bills, payday loans



Charity: Donations, religious contributions



Savings: Emergency fund, vacations, holidays, retirement



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Aligning Priorities

This activity book may be helpful for those who:

Have experienced a sudden change, such as loss of income

Desire more clarity on their short term financial plan

Feel motivated to take action, but aren't quite sure where to start

Changes to our financial lives can often result in stress and mental fatigue, making decisions even more challenging. We have a natural tendency to avoid choices that feel like we are giving something up. Instead, we may try our best to take each day as it comes without a plan.

This guide aims to give a greater sense of ease and control when making choices of how you will spend the money you have. Our hope is that you gain confidence over your money choices as you reflect on what has the most meaning to you.

If you are feeling financially overwhelmed, speak with a GreenPath counselor. It's a free call with no pressure: **877-337-3399**.



7 This activity book features seven activities that are designed to build on each other.

Prioritize Your Expenses Based on Your Values

1. Review an example of expense prioritization.
2. Build your personal expense prioritization.
3. Reflect on the importance of each expense.

Create a Short Term Action Plan Based on Your Priorities

4. Take an inventory of your upcoming income and expenses.
5. Review and select ideas to find flexibility in your spending plan.
6. Simulate what different choices might look like.
7. Consider the next few weeks and what next steps you want to take.

Know Your Score!

Credit Score






Your credit score is a 3 digit number that predicts risk, affects loan pricing and decision-making.

A high credit score means a lower interest rate.

A lower interest rate means lower monthly payments.



Show Your Score Some Love

-  **Pay your bills on time!** Stay current on your payments.
-  **Keep credit balances low.** Keep your loan and credit card balances as low as possible.
-  **Boost your score.** Keep and use your longest credit accounts, and close unused accounts with annual fees.
-  **Know your report!** Take the steps to check for errors annually on your free credit report: annualcreditreport.com. Ask about Altana's ID Protect.
-  **You're in control.** Open new credit as needed, remembering that a closed account doesn't make it go away. Manage credit cards responsibly.

Let's (re)Build Your Credit Together



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Understanding Your Credit



From getting approved for a loan to lower interest rates, there are many benefits to improving your credit. Use this tip sheet to learn about the factors that affect your credit score and how you can improve your score (and overall financial health!)

How is My Credit Score Calculated?

The higher your credit score, the better. A high score indicates lower perceived risk to lenders.

Your score is developed using credit data that is grouped into five categories.

Steps for Improving Your Score

1. Get Your Current Credit Report

If you haven't already, get your free report at annualcreditreport.com to see where you currently stand.

2. Reduce the Amount of Debt You Owe

Reduce or suspend use of credit cards and contact a GreenPath counselor to develop a personalized plan to pay off your highest-interest debt first.

3. Start Practicing Your New Healthy Credit Habits

Things like opening new accounts sparingly, managing credit card use responsibly and keeping credit card balances low are all important factors in improving and maintaining your credit score.

Credit Score Ranges

800+	Exceptional
740 - 799	Very Good
670 - 739	Good
580 - 669	Fair
< 580	Poor

35%

PAYMENT HISTORY

Pay your debts on time. This is the single most important factor of your credit score.

30%

AMOUNT OWED

Avoid using more than 30% of your available credit; this may signal to creditors that you are at a higher risk for defaulting.

15%

LENGTH OF CREDIT HISTORY

In general, a longer credit history will increase your score.

10%

CREDIT MIX

It's beneficial to have different types of credit (credit cards, installment loans, auto loans, mortgage loans etc.).

10%

NEW CREDIT

Avoid opening several credit accounts in a short period of time; this can represent a greater risk to the lender (especially for those without a long credit history).

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Call GreenPath today for a free credit report review.



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