# *Responding to*
# FINANCIAL EMERGENCIES

BROUGHT TO YOU BY

SERVU CREDIT UNION

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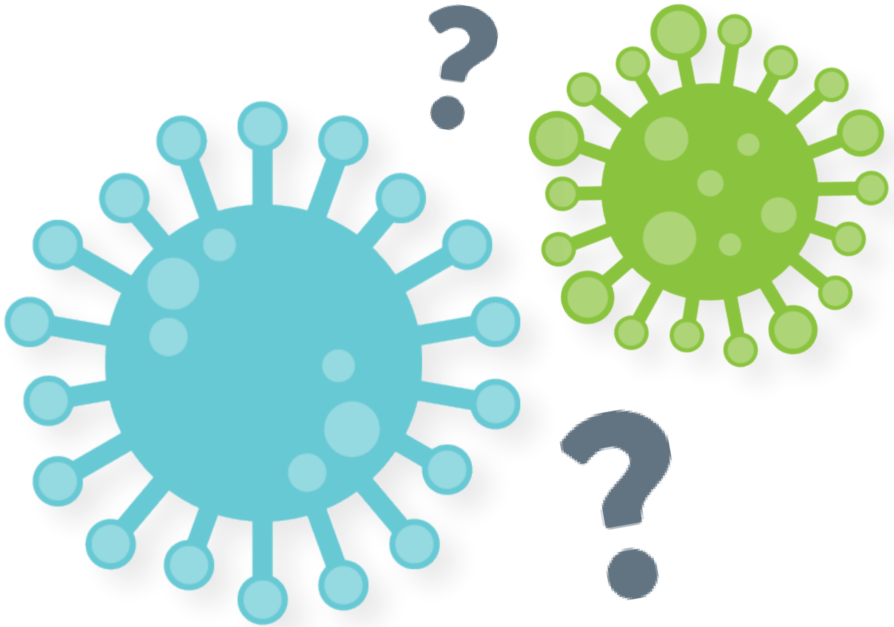
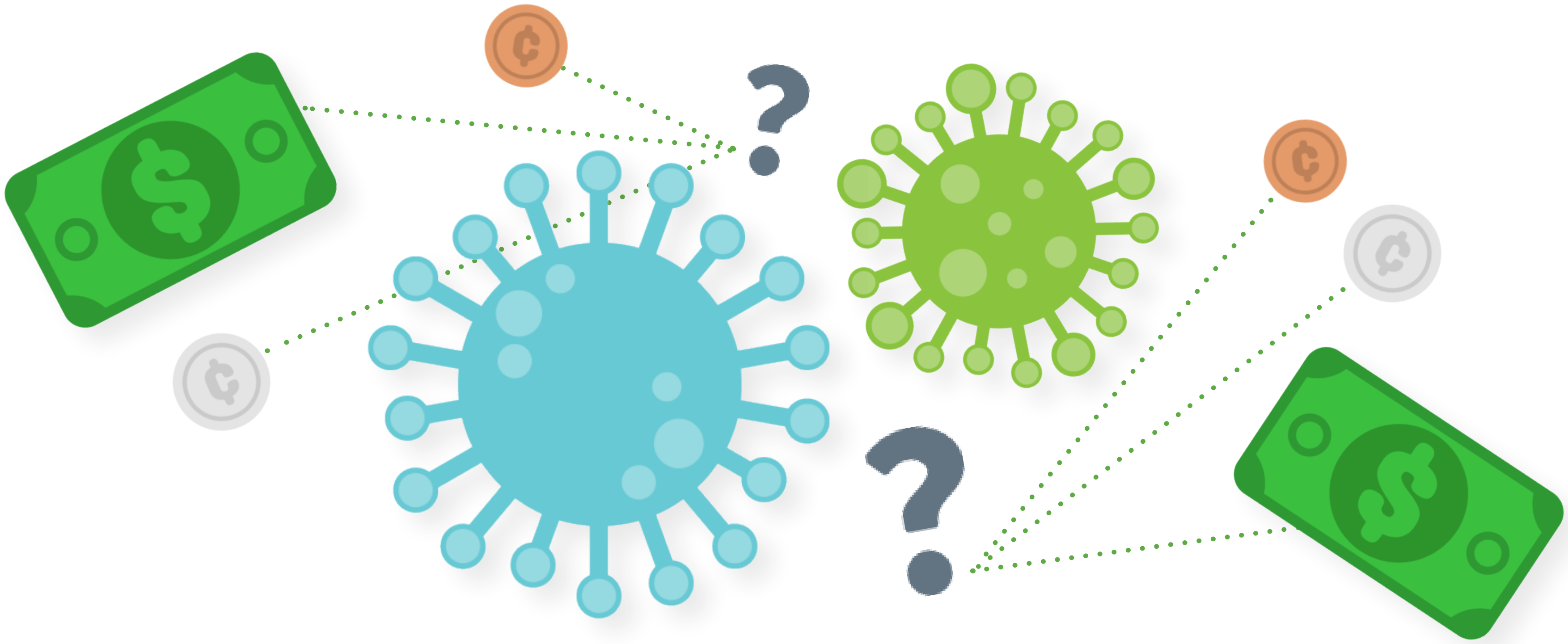


The COVID-19 pandemic has introduced uncertainty in our daily lives



This uncertainty extends to our personal finances


51% of Americans feel
at least **somewhat anxious**
about their financial situation
following the coronavirus
outbreak

# FINANCIAL CONCERNS INCLUDE:

- Job loss
- Fewer work hours or reduced pay
- Inability to meet financial obligations or essential needs (such as rent or mortgage payments, utilities and groceries)
- Reduced savings contributions
- Leaving the workforce to care for children or relatives
- Needing to take on more debt
- Lack of emergency savings

*When should you use your*

**EMERGENCY FUND?**

Your emergency fund should be used for expenses that are truly unpredictable:

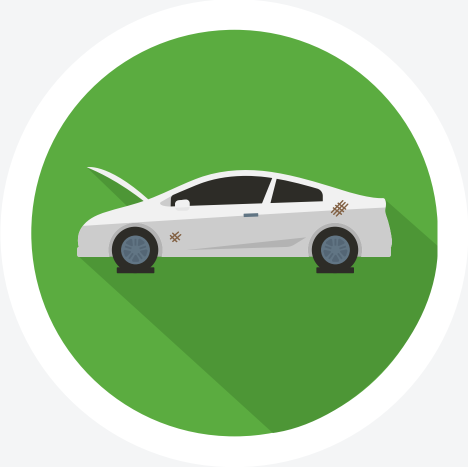
Sudden Unemployment

Health Emergencies

Accidents

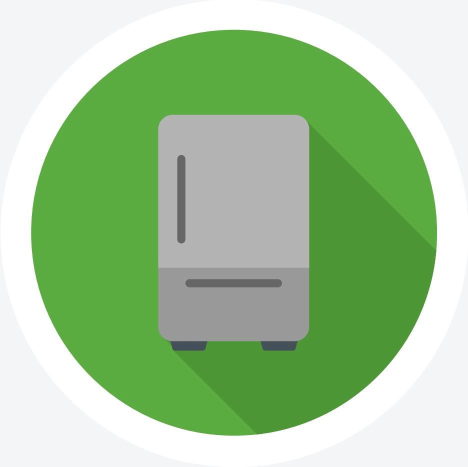
Bereavement Travel

Some expenses can be anticipated ahead of time—
these should be budgeted for separately
from your emergency fund:

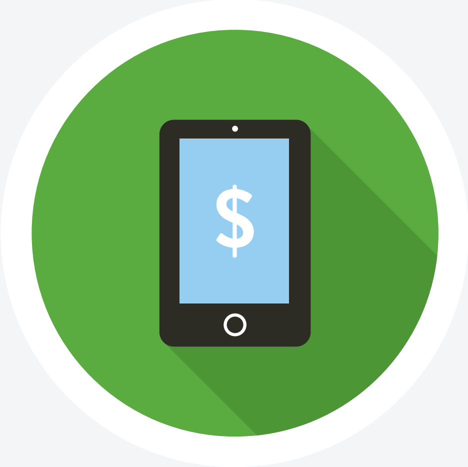


Major Car
Repairs

Major Home
Repairs



Appliance
Replacement

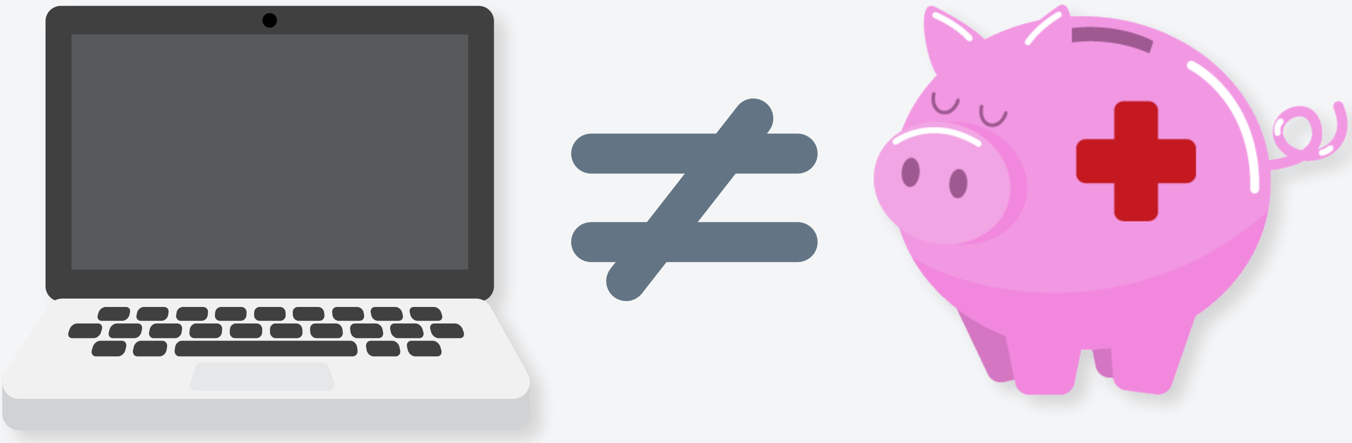



Electronics
Replacement

The pandemic is
an example of a truly
**unpredictable** event.

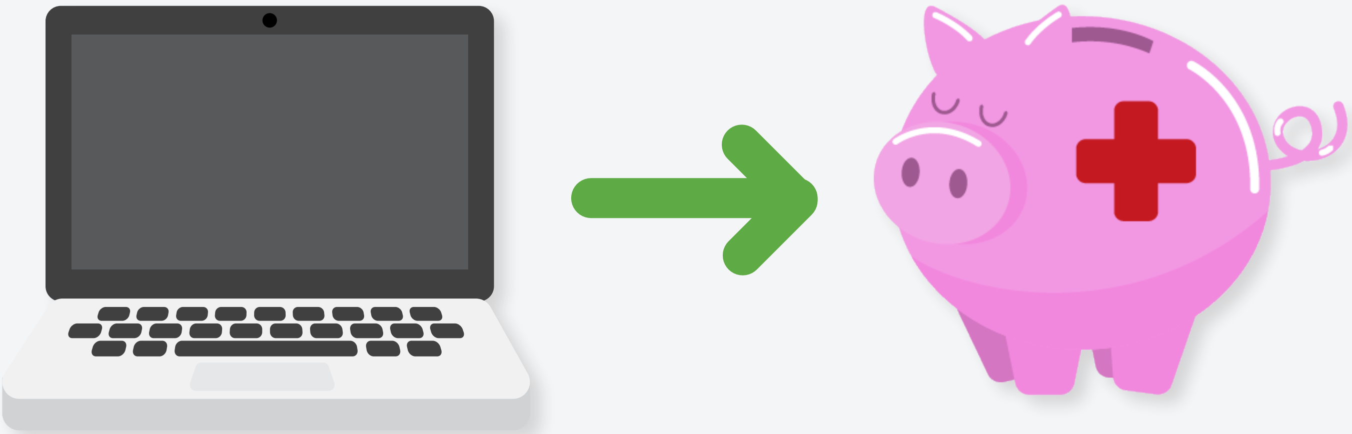
In some cases, an
unpredictable event can
convert **regular** expenses
into **emergency** expenses.

# For example:



A laptop purchase is not
an emergency expense

## For example:



A laptop purchase in order to continue working remotely during the pandemic qualifies as an emergency expense

*Responding to financial*

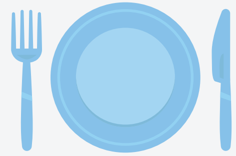
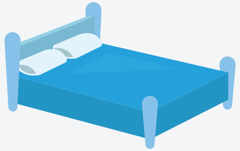
# EMERGENCIES

No matter your financial emergency, there are four things you can do to contain the issue while you work on a recovery plan:

1. STOP THE BLEEDING
2. TAKE A CLOSE LOOK AT WHAT'S GOING ON
3. PUT A BAND-AID ON THE SITUATION
4. SEEK THE APPROPRIATE HELP

# 1 STOP THE BLEEDING

Limit your spending to **essentials only.**

Essential spending is any expense that protects your ability to **eat, sleep and** continue to **earn income.**

# 2 TAKE A CLOSE LOOK

Calculate the total financial impact your emergency will have on your budget.

COST OF THE EMERGENCY + COST OF RELATED CONSEQUENCES

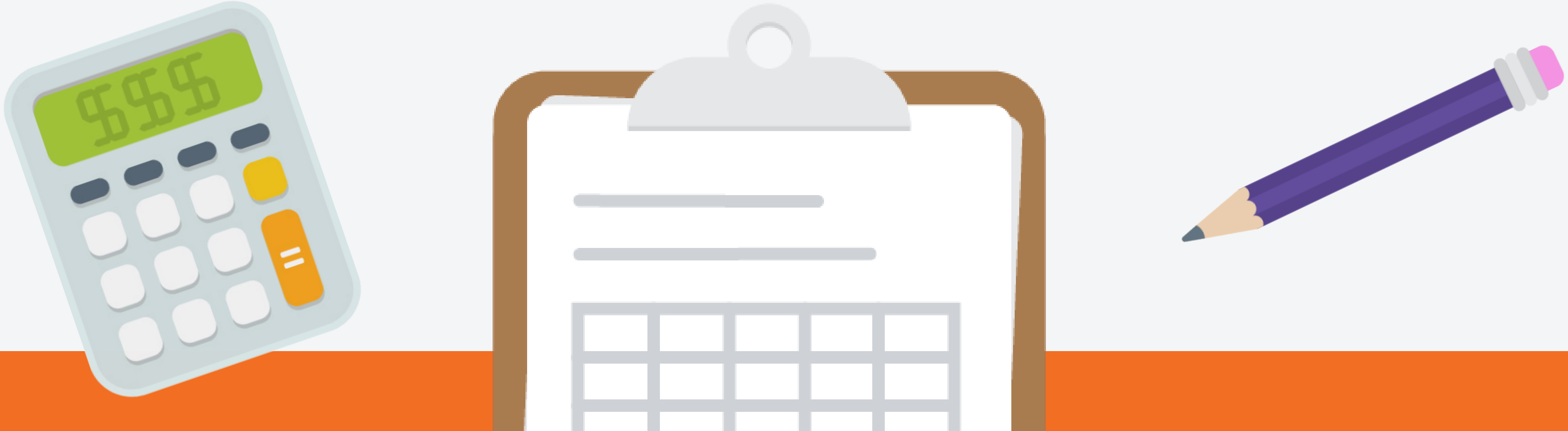
# ② TAKE A CLOSE LOOK

**For example:**

| Medical bill | | Interest charges for carrying debt related to medical bill |
|---|---|---|
| **COST OF THE EMERGENCY** | **+** | **COST OF RELATED CONSEQUENCES** |

# 2 TAKE A CLOSE LOOK

The more realistic and accurate you are with your calculation, the more effective your recovery plan will be.



# 3 PUT A BAND-AID ON THE SITUATION

A band-aid is a **temporary solution** that will help keep things manageable while you seek appropriate help.

# ③ PUT A BAND-AID ON THE SITUATION

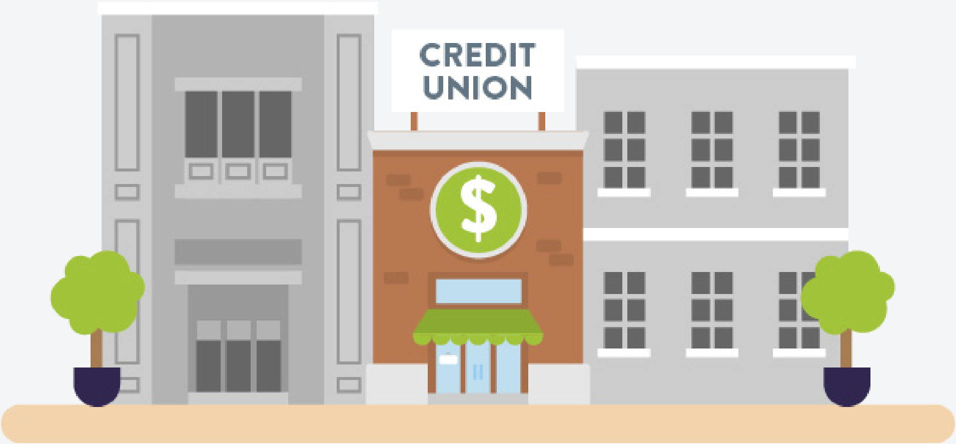

- Call your financial institution, your credit card company and your utility company to explain the situation
- See if you can reschedule your payment dates without penalty

# 4 SEEK THE APPROPRIATE HELP

Aid comes in many forms:

| | |
|---|---|
| FINANCIAL RELIEF PACKAGES | GOVERNMENT ASSISTANCE PROGRAMS |
| EDUCATION | COUNSELING AND SUPPORT |

# 4 SEEK THE APPROPRIATE HELP




Your credit union may have access to additional resources you are not already aware of.

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**Sources:** DRS, SimplyWise, TIME



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