

Living Paycheck to Paycheck

Helping your employees break the cycle



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What does it mean to live Paycheck to Paycheck?

Americans do not have adequate savings

"More month at the end of the money"



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What Does Financial Wellness Mean?

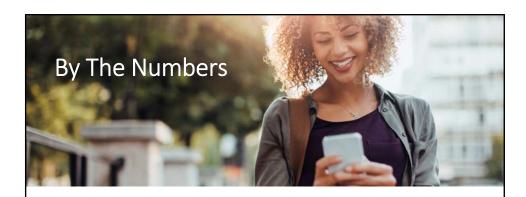
A state of financial well-being where employees enjoy...

Minimal financial stress

A strong financial foundation

A strategic plan to meet future financial goals





78% of Americans live paycheck to paycheck

31% of Americans have no retirement savings or pension

19% of Americans have \$0 saved for an emergency



The Reality

It's Likely a Spending Problem,

Not an Income Problem





Your employees' finances can impact your workplace by causing:

A loss of productivity

40% of Americans spend more than 3 hours each week dealing with financial matters at work

A decline in quality of work

Employees who have to focus on financial issues often don't give their 100% effort on the job

An increase in stress and health related issues

Mental and physical stress impacts health-related costs including a greater amount of heart attacks, migraines, ulcers, anxiety and depression





Path to Finding Freedom

Principles to stop living paycheck to paycheck:

- (1) Decrease Spending
- (2) Increase Income
- (3) Expand Savings





Effective ways to decrease spending include:

Creating (and sticking to) a budget
Paying down debt
Paying bills upon receipt

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Create a budget specific to your situation by:

Categorizing and tracking all spending

Defining all sources of income including fixed, flexible and periodic

Calculating what you can save by taking income minus expenses





While reviewing the budget, find adjustments to make:

Home, Auto and Insurance payments

Cable, Phone, Internet and Utilities

Food, Entertainment and Memberships





Effective mentalities for paying down debt include:

Reviewing debt paying strategies and seeking guidance

Prioritizing paying down debt

Not taking on any more debt





Pay bills when you receive them:

Avoid Late Fees

Know what money you have left after expenses

Change due dates to work for you





Potential ways to increase your income include:

Working part-time or extra hours

Selling unneeded items

Adjusting tax deductions





Work toward three goals:

Having an emergency savings fund of at least \$1,000Being able to cover 3-6 months of expenses in case of job loss or illness Investing in the future in 401(k)s and IRAs





Build Financial Wellness into Your Culture

- 1. Meet Your Employees Where They Are
- 2. Encourage Money Conversations
- 3. Be Champions for Financial Wellness
- 4. Stay Current
- 5. Incorporate Financial Wellness Into Wellness Program
- 6. Provide Resources



Support Your Employees

Financial topic surveys

Complimentary Financial Wellness workshops

Highlight available reimbursements

Provide options for Direct Deposit

Raises/Promotions: make their new money matter

Distribute Financial Wellness tools and resources



It's a Win/Win Partnership

Employer

Lower employee turnover **Lower** healthcare costs

Lower absenteeism

Higher employee productivity

Employee

Lower physical illnesses

Higher overall engagement

Higher financial security



