



## Coping With Inflation? Be Budget Aware.

Inflation continues to put pressure on household budgets. From groceries to gas, record-breaking inflation means the purchasing power of your money is decreasing each month.

Our Michigan Masonic partner, GreenPath Financial Wellness, offers you the following steps to remain “budget aware” to help navigate this period of high inflation, however long it lasts.

**1. TAKE INVENTORY OF YOUR FULL FINANCIAL PICTURE.** Has your household income changed? Have you adjusted your budget for rising groceries, transportation, or other expenses? Check your existing budget to see where you stand and where your money is going. If you don’t have a budget, it can help to create a simple spending plan or road map of monthly expenses. A good place to start is to use resources like a budgeting worksheet to track your monthly income against current expenses.

**2. CONTINUE TO BUILD AN EMERGENCY FUND** to tap into when unexpected circumstances arise like a medical expense or costly home repair. An emergency fund helps reduce the chance of taking on debt to cover an unplanned expense. It might be tempting to pause monthly savings as rising prices take a bigger bite out of your monthly budget but resist the urge. Put savings on autopilot with each pay check. Even a small amount will add up over time.

**3. PRIORITIZE MONTHLY SPENDING IN A TIME OF RISING PRICES.** Rethink certain monthly expenses such as subscription or streaming services. According to researchers, the average household has 4.5 streaming services and spends an average of \$55 on them per month. This may not seem like much, yet \$55 a month adds up to more than \$600 per year. If you’re trying to cut expenses in the face of higher prices, ditching underused subscriptions can be a good place to start. As essentials get more expensive, figure out your new baseline. Limit credit card use and curb discretionary spending (dining out, entertainment). GreenPath’s Aligning Priorities workbook can help you make these decisions. For a copy of this resource tool, contact the staff in Outreach & Member Care and they will provide you with one.

**4. MONITOR DEBT**, especially as interest rates rise. Paying off high-interest credit card debt saves you money in interest, improves your credit score, and frees up room in your budget. Choose a debt payoff strategy that works for your situation. Consider GreenPath’s Debt Management Plan which helps you pay off unsecured debt in 3 to 5 years. GreenPath can work with many creditors to bring your accounts current, lower interest rates, and eliminate fees.

**5. SHOP SMART.** Research the best sales, coupons, and specials, especially on products that are low in inventory. Check dollar stores for deals on household items and stock up on those items where possible. Bulk retailers or wholesale clubs might be a good way to stock up on items in large quantities for a lower per-use cost. Strategically plan your higher-cost purchases. Swap out brand-name items for generic as much as possible.

**6. KEEP TABS ON YOUR CREDIT HISTORY.** In times of rising prices, it pays to keep tabs on credit history, which is used to calculate your credit scores. The three-digit number of your credit score helps determine whether lenders approve you for new credit and what interest rates they offer. Annualcredit-report.com is a trusted “one-stop-shop” to check your reports from Experian, Equifax, and TransUnion – the three industry-standard credit bureaus. You can also work with GreenPath to review your credit history.

**7. GET INDEPENDENT GUIDANCE FROM A NON-PROFIT FINANCIAL COUNSELING AGENCY** like our Michigan Masonic partner GreenPath. Everyone who contacts GreenPath receives a free financial assessment with certified counselors who lend an emphatic ear. Counselors look at your entire financial picture to help you ease financial stress and uncertainty, through access to clear information and a personalized action plan.

**8. STAY BUDGET AWARE.** It pays to stay budget aware, especially as prices continue to rise. We encourage you to connect with a caring, certified GreenPath Financial Wellness counselor to get a handle on your specific financial situation.

Lastly, our Outreach & Member Care staff, Jessica Fleming, Aubrie Terwilliger and Patti Nowak are available to discuss with you any needs you may have, whether financial or otherwise, and connect you to resources that help! Call us today on our toll free line 1-800-321-9357. **Greenpath Financial Wellness direct line: (877)-890-3374**