



Thoughts on Finances from the Care Ministry During COVID Crisis

What Should I Do If My Income Is Stable?

- DO keep a six-month emergency fund, plan to pay off debt, investing in your retirement fund, save for children's college.
- DO pay your bills on time. This is not a free pass to skip out.
- DO use your stimulus money to help someone you know that is in need or through the Care Ministry.
- DO NOT pause paying off debt!
- DO NOT cash out your 401(k).
- DO NOT defer (aka delay) your student loan payments—keep attacking these with a vengeance.
- DO NOT stop paying your mortgage.

What Should I Do If I Was Laid Off/Furloughed or If My Income Is NOT Stable?

- DO create a budget and pause paying any extra money to your debt.
- DO make sure your [Four Walls](#) (food, utilities, shelter, and transportation—in that order) are covered, then save what's left.
- DO make the minimum payments on your debt (if you can swing it) Call your debtors starting with your mortgage to inform them of your situation. They may allow for payment deferral for a month or two.
- DO cut out all unnecessary spending from your budget (think need versus want).
- DO look for a part-time job wherever you can find one!
- DO use any stimulus money to cover your Four Walls and then toss anything leftover into your emergency fund.
- DO NOT take out a payday loan!
- DO NOT get a HELOC (home equity line of credit)—it will only dig a deeper hole.
- DO NOT stop paying your mortgage. Shelter is one of the Four Walls, so make sure it stays at the top of the list.
- DO NOT cash out your 401(k) unless you're facing foreclosure or bankruptcy.

No matter if your income is stable or not, consider filing your 2019 tax return sooner rather than delaying the inevitable until July 15th.

Should I File for Unemployment?

- DO check in with your [state government](https://www.usa.gov/unemployment) (<https://www.usa.gov/unemployment>) to see if you qualify for unemployment benefits.
- DO keep looking for work (even if you are getting unemployment).

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REFERENCES:

Ramsey Solutions (financialpeace.com) / Care Ministry Team

RESOURCES:

The Chapel's Care Ministry Team (thechapelbr.com/ministries/care)

Craig Corie 225-235-2382 / Lawrence Maestri 225-445-5298

Matt Heinz 225-614-6493 / Ryan Spencer 225-505-5619