



Living Paycheck to Paycheck

Helping your employees break the cycle



Federally Insured by NCUA

What does it mean to live Paycheck to Paycheck?

Americans do not have
adequate savings

“More month at the
end of the money”



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



By The Numbers



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**



Challenges to Employers

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



Decrease Spending

Effective ways to decrease spending include:

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

Decrease Spending

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

Decrease Spending

While reviewing the budget, find adjustments to make:

Home, Auto and Insurance payments

Cable, Phone, Internet and Utilities

Food, Entertainment and Memberships

Decrease Spending

Effective mentalities for paying down debt include:

- Reviewing debt paying strategies and seeking guidance
- Prioritizing paying down debt
- Not taking on any more debt

Decrease Spending

Pay bills when you receive them:

- Avoid Late Fees
- Know what money you have left after expenses
- Change due dates to work for you



Path to Finding Freedom

Increase Income

Potential ways to increase your income include:

Working part-time or extra hours

Selling unneeded items

Adjusting tax deductions



Path to Finding Freedom

Expand Savings

Work toward three goals:

Having an emergency savings fund of at least \$1,000

Being 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



Questions?

Thank you for joining us!

