

## Surviving a Financial Crisis Tips from your Credit Union

Economists tell us things will get worse before they get better. If you have lost your job or losing your job is a real possibility, it is difficult to imagine things getting worse. But if you don't plan or make immediate adjustments things will go downhill rapidly. That makes the climb up so much harder than it has to be.

So what do you do first?

1. **First, don't panic, take a moment to absorb the shock of what has happened.** Losing your job can definitely rattle your confidence. Time spent regaining your balance and organizing your thoughts is time well spent. – At the end of this program you may find several resources for assistance getting through this period.
2. **Apply for help.** Visit the unemployment office. Either in person or online, you should learn if you qualify for unemployment insurance. If you qualify, apply for benefits immediately. There may be other programs that depend on you taking action by signing up.
3. **Contact Your Lenders.**
  - a. Lenders need to know about changes to your financial situation. Being laid off or potential job loss is a big change. Your credit union is here to help. By contacting us early, we have a greater opportunity to work out the best plan for you. Workout plans may range from loan extensions to payment deferrals or overall loan rework.
  - i. For example, Mr. Jones, an engineer with over 20 years on the job, is laid off. He does not call the credit union or any other lender. Mr. Jones uses funds from his retirement plan and makes all his payments on time. Those funds are exhausted in four months and he falls delinquent. Now the late notices arrive and lenders start calling. Had he contacted the credit union immediately, we may have been able to work his payments out over a 12 month period, perhaps cut his interest rate as well.

### QUICKLINKS

[dol.gov](http://dol.gov)

[floridajobs.com/unemployment](http://floridajobs.com/unemployment)

[balancepro.net](http://balancepro.net)

[familyfoundations.org](http://familyfoundations.org)

### JAXFCU

Main Office

562 Park Street

Jacksonville, FL 32204

☎ (904) 475-8000

Tollfree: (800) 443-2664

[jaxfcu.org](http://jaxfcu.org)



Mr. Jones retirement money would have gone a lot further by working with the trained professionals at the credit union.

- ii. Your VISA card is also considered a loan from the credit union, so don't forget to notify us of your situation in this case as well.
  - b. In all cases, early notification provides the best results. Don't wait until your payments are past due. While calling late is better than having us call you, it may have a very negative effect on your credit score. The longer you wait, the greater that impact on your credit score. Talking to lenders, including Jax Federal will help in the long run.
4. **Cut the Budget!** This is hard to do in good times, but essential when income is threatened or ended. Without a job, consider all those things you may currently enjoy, like dinner with a movie, cell phones with multiple services, high speed internet, and premium cable channels. Start cooking at home rather than eating out. It requires planning the night before, but it can be done. Reduce cell phones and cable to the minimum service levels, or disconnect if you must. Your goal is to cover the basics, not to continue as though nothing has happened. You may find enough money to cover a household bill with effective budgeting. If you are fortunate to find employment quickly, consider this a dress rehearsal. But don't waste time, start cutting out some expenses.
5. **Get to work on YOU.** Pull out that resume and start your search. Review those skills and past job experiences. You may qualify for positions you have not previously considered simply because you have not updated your resume. Check the public library for books on building a resume and there are a host of online resources available. Read and write carefully as your resume and cover letter is the first impression many employers many employers will get of you.
6. **Lastly- don't let pride stand between you and taking care of your obligations.** Earning something beats earning nothing, so look for employment daily. Ask for help from associates in your membership organizations or groups. And don't forget contact your credit union.

*Thank you.*

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