Financial Planning During Times of Transition
Michael F. Bisaro AIF®
Vice President
Understanding Your Budget

Assets  Liabilities

Income  Expenses
Planning A “Lean” Lifestyle

- Understand your budget
- Essentials – Food, housing, utilities, etc.
- Discretionary – Hobbies, gifts, etc.
Planning Your Cash Flow - Expenses

- Review all your debt
- Evaluate refinancing & loan consolidation options carefully
- Contact your creditors
- Negotiate
Planning Your Cash Flow - Income

- **Unemployment benefits**
  - Check website for weekly benefit amount (www.michigan.gov/UIA)
  - Not retroactive – apply as soon as possible

- **Savings accounts**
  - Start NOW, begin living lean & put aside for later
  - Have 3-6 months of expenses in an FDIC-insured bank account if possible
Planning Your Cash Flow - Income

- Lines of credit
- Equity loans
- Retirement plan assets
  - TIAA
  - Fidelity
- Outside accounts
Retirement Plan Assets

- 403(b) vs. 457
- Consider the tax effects
  - Age 59 ½
  - Year in which you turn 55 and beyond
- Rollover retirement plan assets to IRA?
- Reallocate investments?
- TIAA Traditional Annuity rules
Specifics – What Else Can I Do To Prepare?

- React quickly and stay proactive
- Reduce/Eliminate ongoing payments
  - Review auto insurance coverage (compare rates, raise deductible, drop collision coverage)
  - Lower cost phone plan
  - Negotiate lower payments
  - Income-based federal student loan payment plan
- Get informed
Specifics – What Else Can I Do To Prepare?

- **Focus on budget & withdrawal strategy**
  - Track spending
  - Prioritize which bills to pay first
  - Notify service providers about financial situation
  - Take advantage of programs for those in need

- Consider future health care needs

- If applicable, understand Social Security ([www.ssa.gov](http://www.ssa.gov))
Specifics – What Else Can I Do To Prepare?

- Sell an extra vehicle or other items from around the house
- Rent a room
- Take a part-time job while seeking meaningful employment
- Call 211 – to find out what services are available in the community
Do You Need Further Help?

National Foundation for Credit Counseling

www.nfcc.org
StraightLine: A Unique Resource

• Solutions:
  Investment management and advisory services to 403(b) & 457 retirement plan participants

• Value to you:
  Our solutions remove the time commitment and confusion of investing in your CMU 403(b) & 457

• Service models:
  **Pro(B) - Ongoing, active management** of your account
  **ProAdvice - Ongoing advice** to help you manage your account