

Welcome to The Financial Stability Center

An Introduction to
Financial Navigation



Today's Objectives



Learn about the variety of services in our building



What is Financial Navigation



Tools for managing all aspects of your financial world

Budgeting
Resources
Debt/Credit
Savings



Creating an individual plan for awareness and success

Today's Objectives

01

Managing
Money

02

Defining Debt

03

Create a
Spending Plan

04

Community
Resources

The United Way Financial Stability Center and PA CareerLink-Chester County

Open Hearth, Inc.-
financial coaching and
matched-savings program

**Legal Aid of
Southeastern PA-** free
legal clinics and
workshops

**Life Transforming
Ministries-(VITA) - FREE**
tax preparation

**Maternal and Child
Health Consortium
(MCHC)-** benefit
enrollment assistance

**Office of Vocational
Rehabilitation (OVR) –**
employment and
educational support for
individuals' w/ disabilities

**Opportunities
Industrializations Center
(OIC)-** on site GED prep
and testing center

PA CareerLink- career
coaching, employment
support, training
opportunities, job fairs,
workshops and more!

Meet our Team

- We offer **FREE** financial coaching and resource coordination for individuals above 18 years old and families living in Chester County
- Services can be received:
 - Virtually
 - Our Exton office
 - Our Phoenixville office



Financial Navigation Program

- Financial Navigation provides coaching and resource navigation to help clients achieve their goals:
 - Ongoing budgeting, increasing income, decreasing debt, and/or building assets.
- All clients receive a Financial Insight and Resource Management (FIRM) assessment to understand the root of their financial situation.
- Every client receives:
 - Extensive budgeting support
 - Financial/credit coaching
 - Short and long-term goal planning
 - Social service referrals
 - Advocacy



Details and Eligibility

- Financial Navigation **does not** have income eligibility
- We serve Chester County
- Age 18+
- Minimum of once a month check in (phone, email, virtual, or in person)
- There is not a timeline for engagement as long as the customer remains engaged and is working towards their goals in good faith
- Everyone's situation is different- financial coaching can always be of help!
 - Unemployed, underemployed, gainfully employed
 - Single parents, single individuals, and families
 - Re-entering the workforce, in retirement or on a fixed income

Basic Steps in Managing Your Finances

1

Resource
Navigation

2

Budgeting-
Recording
expenses and
goals

3

Awareness of
credit and debt

4

Building room for
savings

5

Routinely re-
assess **where you
stand**



1. Resource Navigation: Discovering Community Resources to Assist with Everyday Expenses

Community Resources and Programs

Information and Referral

- 211 Call Center: health and human service needs
 - Also the # for all housing needs in our county

Cash/Non-cash Assistance

- COMPASS: online government program application site

Utilities/Streaming Services

- PECO CAP: monthly credit provided to qualifying low-income customers
- Comcast Internet Essentials: low-cost internet service for qualifying families
- Amazon Prime: Discounted to \$5.99/mo to qualifying households.

Community Resources and Programs

Clothing/Home Goods

- Goodwill
- St. Paul's Baptist Church Clothes Closet
- Habitat Restore
- Freecycle

Groceries/Gas

- The Grocery Outlet
- Swann's Pantry
- BB's Grocery Outlet
- Gasbuddy.com

Museums/Science Centers/Etc

- Local libraries

Discounted Meds

- GoodRX

Community Resources and Programs

*<https://www.cfinancialfreedom.com/13-ways-save-money-low-income/>

*<https://lifehacker.com/money/personal-finance>

Credit Reports/Credit Score

- Annualcreditreport.com
- Discover.com/free-credit-score/
- [Credit Karma](https://CreditKarma.com)

Online Financial Resources

- Smartaboutmoney.org:
 - "The *LifeValues Quiz* is a free resource designed to reveal the underlying values that drive financial decisions"
 - "The *Financial Identity Quiz* is designed to help young adults identify where they are on their financial well-being journey."
- [13 Ways to Save Money on Low Income*](#)
& [other articles with financial tips*](#)



2. Budgeting:
Putting your expenses down
on paper and creating goal
amounts

The Benefits of Budgeting

- Stops Overspending
- Reveal Spending Habits
- Helps Reach Goals
- Helps Save Money
- Helps Reduce Worrying/Anxiety
- Allows Flexibility
- Gives Back Control
- Reduce Debt
- Teach Kids About Finances



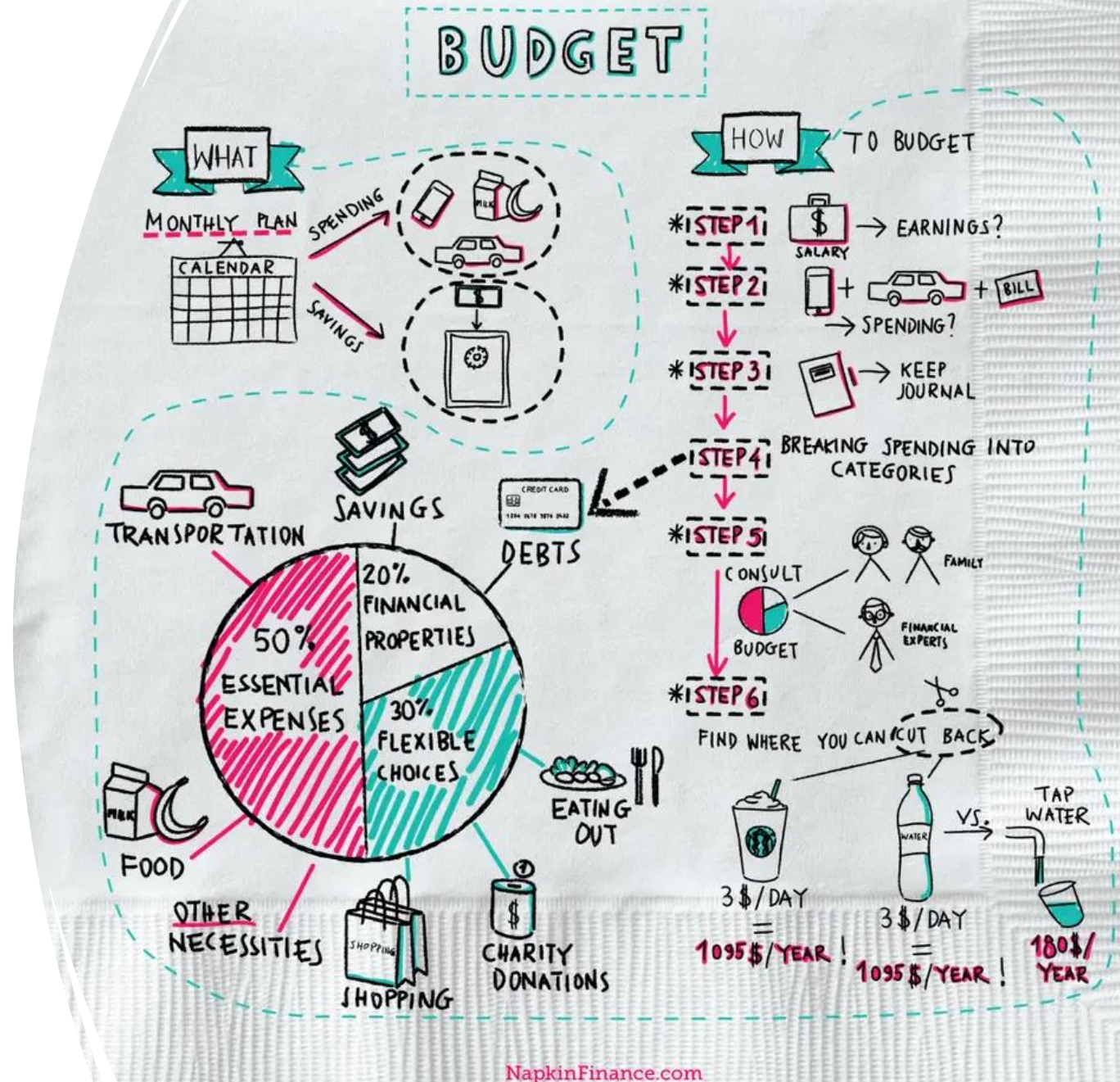


1)					Total Income	\$0
2)					Total Expenses	\$0
3)					Difference	\$0
Total Income:		\$0				
Housing/Living Expenses		Initial	Actual	Difference	Notes	
Rent/Mortgage				\$0		
Insurance (home, apartment, life)				\$0		
Electricity				\$0		
Heating				\$0		
Home Maintenance, Repairs, Etc.				\$0		
Business Ins. monthly				\$0		
Cell Phone				\$0		
Home Phone, Cable, and/or Internet				\$0		
Water, Sewer, Trash				\$0		
Groceries				\$0		
Laundry (laundromat, dry cleaning)				\$0		
Pet (food, medicine, toys, vet)				\$0		
Toiletries (shampoo, deoderant, lotion)				\$0		
Total:		\$0	\$0	\$0		
Childcare, Schooling, Etc.		Initial	Actual	Difference	Notes	
Daycare, Babysitting, Summer Camp				\$0		
Diapers, Wipes, Formula, Etc.				\$0		
Supplies, Photos, Field Trips, Etc.				\$0		
Activities (sports, clubs, etc.)				\$0		
School Tuition, Books, Uniforms, Etc.				\$0		
Total:		\$0	\$0	\$0		
Transportation Expenses		Initial	Actual	Difference	Notes	
Car Payment				\$0		
RV Storage				\$0		
Gas				\$0		
Auto Insurance				\$0		
Drive for testing				\$0		
Total:		\$0	\$0	\$0		
Medical Expenses		Initial	Actual	Difference	Notes	
Insurance Premium				\$0		
Dental, Vision				\$0		
Prescriptions, Vitamins, Over-the Counter				\$0		
Total:		\$0	\$0	\$0		
Entertainment		Initial	Actual	Difference	Notes	
				\$0		
				\$0		
				\$0		
				\$0		
				\$0		
			\$0	\$0		
				Difference	Notes	
				\$0		
				\$0		

What is a Budget?

Tracking Your Spending

- Ever wonder where all your money goes?
- Tracking your spending can assist you in gaining a clear idea of where your money is going and when
- It does not have to be complicated!
- You can keep a small notepad or piece of paper in your wallet/purse or download a tracking app such as Neontra to get started



Finding your Spending Leaks

- Food
 - Fast food
 - Wasted food
 - Convenience Store
 - Vending Machine
- Subscriptions
 - Netflix/Hulu
 - HBO Max
- Medications
 - Name brand vs. Generic
- Convenience
 - Instacart
 - Uber
- Fees
 - ATM/Bank
 - Credit Cards
- Habits
 - Cigarettes
 - Alcohol
 - Lottery Tickets
- Downloads
 - Music
 - Games
 - Apps
 - Storage





3. Awareness of Credit and Debt

Debt:

In today's world, it comes in all shapes and sizes- and for many new reasons



The increased cost of living combined with inflation is contributing to-



Increased housing prices- renting & owning



Grocery costs doubling (or more)



Essentials going onto a credit card ex) groceries, gas, children's needs, etc.



Increased interest rates- making it harder to reduce debt timely



Unemployment, company downsizing and/or less demand for certain career fields



Although debt is becoming far too common, it is important to be aware and create a plan!

Understanding your Credit Score

A credit score is a three-digit number derived from data found in one of your credit reports.

Lenders look at your credit score as an indicator of how experienced and reliable you are at borrowing and repaying debt.

FICO® Score Ranges	
800 to 850	Exceptional
740 to 799	Very good
670 to 739	Good
580 to 669	Fair
300 to 579	Poor



Do you know
how to pull a
free credit
report?

- Never pay for your credit report
- There are 3 credit bureaus
 - Experian, Equifax, and Transunion
- Many companies also share your credit score at no cost
 - Credit card companies you are already doing business with
- **Credit Reports/Credit Score**
 - Annualcreditreport.com ~ *Does not provide your credit score*
 - Discover.com/free-credit-score/
 - Credit Karma

What is Credit?

Watch out: Paying only the minimum on credit cards can lead to more debt due to interest charges!

Credit is money borrowed to make purchases, paid back later with interest.

How to Use Credit Wisely:

- Only borrow what you can repay.
- Pay bills on time to build a good credit history.

Benefits of Good Credit:

- Can come into play when obtaining insurance, renting an apartment, or even seeking a job
- Access to loans for big purchases like cars or college.
- Lower interest rates and better financial opportunities.

Be Careful About:

- Overspending: Stick to a budget.
- High-interest rates: Understand the cost of borrowing.
- Late payments: They hurt your credit score.

A stylized sun graphic on the left side of the slide. It features a solid yellow circle at the bottom left, with several yellow curved lines of varying lengths arching upwards and to the right from its top edge, suggesting rays. The background is split: orange on the left and white on the right, separated by a curved line that follows the sun's rays.

How Interest Works:

Scenario: Credit Card Balance: \$1,000

Interest Rate: 30%

No additional spending or fees.

Here's how a credit card balance can grow over time if no payments are made:



Monthly Interest Rate:

- Annual Rate: $30\% \div 12 \text{ months} = 2.5\%$ per month.
- Each month, 2.5% of your balance is added as interest.

First Month's Interest:

- Starting Balance: \$1,000
- Interest: $\$1,000 \times 2.5\% = \25
- New Balance: $\$1,000 + \$25 =$

\$1,025.00



Second Month's Interest:

- Starting Balance: \$1,025
- Interest: $\$1,025 \times 2.5\% = \25.63
- New Balance: $\$1,025 + \$25.63 =$

\$1,050.63

What are interest rates?

For Borrowing:

- **Definition:** The cost of borrowing money, shown as a percentage of the loan amount. For example: 30%
- **Impact:** Higher rates make borrowing more expensive.
- **Tips:**
 - Pay off balances quickly.
 - Choose loans/credit cards with low rates.
 - Avoid payday loans- High interest.
 - Borrow only what you can repay.

For Saving:

- **Definition:** Earnings on savings/investments, based on a percentage of the total you have saved.
- **Impact:** Higher rates grow savings faster.
- **Tips:**
 - Use high percentage, or 'high-yield' savings accounts.
 - Compare rates across banks.
 - Save early to maximize compound interest.

9 Ways to Start Getting Out of Debt

1. Stop taking on new debt.
2. Cut everyday expenses.
3. Create a repayment plan - on your own or with support.
4. Consolidate your loans - first make sure this is right for you!
5. Limit yourself to one or two credit cards.
6. Earn the most money you can.
 - What are your options? Can you get a second job? Are you able to work overtime?
7. Sell or trade items you never use and utilize that money to pay down debts.
8. When you pay off one debt, direct the same amount of money you were using for it to pay off other debts.
9. Be honest with yourself to make the best financial decisions.
 - For example: Judging when it is better to sell a car with tough monthly payments vs. allowing your credit to be damaged with a repossession.



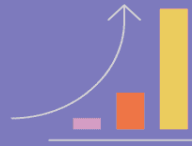
4. Building Room for Savings



5. Continually Re-Assessment

Goal Planning

- Our team can assist you in developing a plan!
- The goal plan can and should include:
 - Immediate goals
 - Short term goals
 - Long term goals
 - Baby steps in between

S	Specific	Focus on one area for improvement.	
M	Measurable	Quantify or have a progress indicator for your measurable goals.	
A	Achievable	Specify how to do it.	
R	Realistic	Describe the results that are possible given your available resources.	
T	Time-bound	Specify your target date or time frame for achieving the results.	
LifeHack			

Thank You! Stay Connected!

Chat with the
Financial Navigation Team

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