Financial Counseling and Money Management Webinar

June 2, 2021

Moderator:
Phyllis Robinson, Project Coordinator
CONVERGENCE Memphis

Panelists:
Karen Madlock, Operations Manager, GMFEC
Wanda McDonald, America’s Financial Wellbeing Program Manager, Operation HOPE
Susan Lugo, VP of Customer Relations, eHome America
WHAT IS CREDIT?

Credit is the ability to borrow money or access goods or services with the understanding that you'll pay later.
WHY DO YOU NEED CREDIT?

Good credit is necessary if you plan to borrow money for major purchases, such as a car or a home.

Or maybe you want to take advantage of the convenience and purchase-protection a credit card can provide.
Landlords may check your credit when deciding if they'll rent you an apartment.

Prospective employers may use information found in credit reports to make a hiring decision.

Utility companies may check your credit before deciding to let you open an account or borrow equipment.
With revolving credit, you are given a maximum borrowing limit, and you can make charges up to that limit. Most credit cards count as revolving credit.
Installment credit is a loan for a specific sum of money you agree to repay, plus interest and fees, over a set period.

Ex: Student loans, mortgages, car loans.
A credit report provides detailed information on how you have used credit in the past, including how much debt you have and if you've paid your bills on time.
WHAT DOES A CREDIT REPORT INCLUDE?

- Personal information
- Accounts
- Public records
- Recent inquiries
THE CREDIT BUREAUS

- Experian
- Transunion
- Equifax
Access your credit report

Creditkarma.com

Annualcreditreport.com

Credit Cards usually give free credit reports
A FICO score is a type of credit score created by the Fair Isaac Corporation. Lenders use borrowers' FICO scores along with other details on borrowers' credit reports to assess credit risk and determine whether to extend credit.
DETERMINING YOUR CREDIT SCORE

Adding Up the FICO Score

- 35% Payment history
- 30% Amounts owed
- 15% Length of credit history
- 10% New credit
- 10% Credit mix

SOURCE: MyFICO
NOT JUST ANOTHER PROGRAM - HELP CLIENTS AS LONG AS NEEDED!

- OPEN A BANK ACCOUNT
- CREATE BUDGET
- MANAGE FINANCES
- PAY DOWN DEBT
- BUILD CREDIT
- INCREASE SAVINGS
- LINK TO OTHER HELPFUL PROGRAMS
FREE UNBIASED ONE-ON-ONE FINANCIAL COUNSELING

ALL SHELBY COUNTY RESIDENTS ARE ELIGIBLE REGARDLESS OF INCOME

Virtual or Telephone Sessions by Appointment Only
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Budgeting 101
June 2, 2021

Presented by:
Wonderful Wanda
Financial Wellbeing Program Manager
Operation HOPE
Each person’s budget is different. Remember to customize it to your life and your own expenses.
Create Your Budget BEFORE the Month Begins
Adjust Your Budget Monthly
Remember that every month is different
Save First, Then Spend
Start with the most important categories first
Establish Needs VS. Wants
Don’t be afraid to trim the budget
Set-up auto pay from your checking account
Use cash for certain budget categories that trip you up
• Expect the Unexpected (save)
• Plan For Large Purchases
• Forgetting one-time expenses
• Don’t Be Too Hard on Yourself
eHome America: Money Management Education

Online Education for Financial Fitness

Presented by:
Susan Lugo
VP of Customer Relations
eHome America
Gimme the loot! ;)

eHome America’s Money Management Education is an online financial course you can take at your own pace on a computer, tablet, or mobile phone. Developed with your best financial interests in mind, our Money Management course is comprehensive and perfect for folks wanting to improve their cash flow, decrease debt, plan for future purchases and improve credit scores. If financial freedom is your goal, eHome America will help get you there!

**In our Money Management Course, your clients will learn how to:**

- Set Financial Goals
- Save for the Future
- Assess Their Current Financial Situation
- Borrow Strategically and Safely When Needed
- Manage Cash Flow
- Protect What They Have
Our Money Management course includes videos, tests, and worksheets for budgeting. Learn how to list and prioritize your Financial Goals!

<table>
<thead>
<tr>
<th>Handout: Financial Goal Examples</th>
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<tr>
<td><strong>Short-term</strong> (less than 6 months)</td>
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<tr>
<td>• Pay a debt off.</td>
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<td>• Build credit score.</td>
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<td>• Start an emergency fund.</td>
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<td>• Open a savings account.</td>
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<td>• Develop and follow a realistic spending plan.</td>
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<td>• Increase short-term financial stability.</td>
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<td>• Live within means.</td>
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<tr>
<td><strong>Longer-term</strong> (more than six months)</td>
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<td>• Increase income.</td>
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<tr>
<td>• Pay debt off.</td>
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<td>• Implement a regular savings and investment plan.</td>
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<tr>
<td>• Create an emergency fund of at least 3-6 months of basic living expenses.</td>
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<td>• Purchase a vehicle.</td>
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<td>• Purchase appropriate insurance coverages.</td>
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<td>• Prepare and execute a will.</td>
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<td>• Start a small business.</td>
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<td>• Make the down payment on a home.</td>
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<td>• Save for higher education for self or child.</td>
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<td>• Establish and work toward retirement goals.</td>
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Finance Management Knowledge + Credit Management Knowledge + Debt Management Knowledge = Financial Literacy.

eHome America partners with non-profit housing counseling agencies, housing finance authorities, etc. to offer online Money Management Education as well as Homebuyer Education, Post Purchase Education, and Foreclosure Education. The Money Management Education teaches us the value of money, how to properly budget, and the empowerment of how to invest and create wealth. Thus, giving folks a newfound freedom.

Financial Literacy = Freedom!
Higher learning in a few clicks! :P
Find us at www.ehomeamerica.org
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eHome America: Education for your financial well being
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