



Consumer Credit Counseling
Service of Michigan

Consumer Credit Counseling
Service of Southern New York

Consumer Credit Counseling
Service of Northwest Illinois

Consumer Credit Counseling
Service of Northern Indiana

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MEMBER

People Who Care



NOTICE: The services of GreenPath Debt Solutions are financed through grants, client fees and voluntary contributions from the business community. Many credit granting organizations participate in funding programs. Some give donations directly; while others authorize GreenPath Debt Solutions to retain a small percentage of the amounts paid to them by GreenPath Debt Solutions on behalf of clients on debt management programs. GreenPath Debt Solutions clients are given full credit for amounts paid to creditors on their behalf.
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Ways to reduce your spending

- Learn to say “No, I don’t need it.”
- Know your income and expenses.
- Make a spending plan and stick to it.
- While shopping, use a list, cut coupons and watch for sales.
- Don’t eat out as much.
- Pay attention to daily spending.
- Lower your phone or cable bills by eliminating unnecessary features.
- Pay more than the minimum amounts against outstanding debts.

GreenPath Debt Solutions recommends a self-study book called “Credit When Credit Is Due,” to assist those looking to get on the path to healthy money management. This 12-lesson workbook is designed for the adult consumer who has used credit, or plans to use credit, and wants a better understanding of the terms, concepts and “rules” of credit use in the United States. If you are interested in learning more about how to receive this workbook, please call us at 800-747-2898.

Once you have a successful plan to manage your money, make sure you keep your finances in a well-organized location in case you need to refer back to your information over the years. You’ll thank yourself in the long run!

Lifelong money management tips:

Keep a home file to maximize the efficiency of your financial records. Items should include:

- Information on credit cards, debit cards, checking accounts, saving accounts and copies of contracts.
- Copies of insurance policies.
- Information on home mortgages, land and other property.
- Information on motor vehicles, driver’s licenses.
- Copies of birth, marriage, death, divorce and citizenship papers.
- Copy of will, last instructions and safe deposit box keys.
- Tax records of last six years, records of pension plans, education, health records and employment.
- Current household inventory. List everything you own, how much it costs, and approximately how old it is. Add pictures of room/major items and keep receipts.
- Copies of all warranties and guarantees.

Keep a safe deposit box for financial records that are difficult, costly or impossible to replace. Items should include:

- Birth, death, marriage, divorce, adoption and citizenship papers.
- Deeds to property.
- Titles to motor vehicles.
- Stock and bond certificates.
- U.S. savings bonds.
- Important contracts.
- Military discharge and veterans papers.
- Patents and copyrights.
- Important disks or CDs.
- Negatives or the actual pictures of your home inventory.



Money management for a better life.



Money Management

Learn the steps to developing a money management plan to make your financial decisions a success.

Unfortunately, we don't automatically acquire money management skills when we obtain our first loan or credit card. In fact, many people don't even know that money management skills are necessary until it is too late.

Too many people live paycheck to paycheck, barely making enough money to pay the bills each month. An unplanned financial emergency can send them into a financial tailspin from which many can't recover. You can help avoid this situation by practicing wise money management.

This brochure covers some basic tools and techniques to get you started. If you need additional information or have specific questions, please call us at 800-747-2898 or visit our website at www.greenpath.com. Our certified counselors stay up-to-date on your money management issues to better provide you with helpful information.



Discuss Your Values

Discuss with those people involved in your spending plan what is most important to them. Living in a big house? Driving a new car? Going on nice vacations? Saving for retirement? Spending time with the family? Helping others? By understanding what our values are, we can make decisions that will provide us with the most satisfaction.

If you place too much value on material possessions, you will always be chasing a dream and may never be satisfied. The key is learning how to find happiness in life and satisfaction while living within your means.

Set Your Goals

Identify your goals – both short-term and long-term. Some examples of goals might be to start a savings account, buy furniture, save for your children's education, or purchase additional insurance. Decide which of your goals are necessities and which are luxuries, and then prioritize them to identify those that are most important. Put money aside in your spending plan for your priority goal.

Remember, to be able to achieve your special goal, you need to treat the money as a bill to be paid – only to you!



Determine Your Income

How much money do you have to work with in your budget? Figure out your available income based on your net pay or those dollars you actually receive after deductions. Income can come from wages, pensions, public assistance, and investments minus deductions like taxes, social security and health insurance premiums.

Typically, overtime pay is not considered in your budget. You may want to use that occasional overtime to reach one of your spending goals, such as a new appliance, furniture, a special toy for the children or that long-awaited vacation.

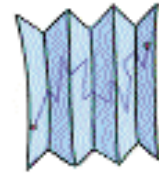


Determine Your Expenses

What are the expenses in your budget? Expense categories need to be identified as "fixed" or "flexible." Fixed expenses occur at specific times and rarely change (examples: mortgage or car lease payments). Flexible expenses fluctuate from month to month and may possibly be altered (examples: groceries or gasoline).

Don't forget those periodic expenses too! Periodic expenses are payments that are not due every month, but they may be due every other month, quarterly or even just once a year. Examples of periodic expenses include the water /trash bill, property taxes and holiday shopping. Whatever the case, these types of expenses should be budgeted monthly. Figure out how much you spend in a given year, divide it by 12 and that is the amount you need to save monthly toward that bill.

Note: If it is September and you need to save for holiday spending, you need to divide by the months left in the year.



Develop Your Plan

Now that you have determined your income and expenses, it is time to develop your plan. When it is first created, you may find that your income is not enough to cover your expenses. If so, re-evaluate your plan and decide what categories can be changed. Be realistic and create a plan with which you can live.

Be careful not to budget too tightly or radically change your lifestyle, and don't expect to account for every penny. If your plan is too closely budgeted, it will not work because you don't have any room for variance.



Evaluate Your Plan

To be successful, your plan will need periodic evaluations. A review should be conducted and changes made every two to three months. If there is a change in your finances such as divorce, death, children beginning or finishing school, or parental care, the plan will need to be revised.