



## Financial Focus: What to do when your pay is cut

**Q: Government agencies and private companies are turning to furloughs and pay cuts to help get through these tough times. What can workers do to mitigate this loss in pay?**

### Turn to cash

Begin by using cash for all purchases. Using cash reorders your priorities and reduces your spending. It's more difficult to put down five 20s for a fancy dinner than just throwing down plastic. Start by going cardless for a month.

Review your spending intentions and really think about which spending adds the most value and which you could easily live without. Some expenses you once felt were "needs," you may now consider "wishes."

Put some cash into savings, even if it's only \$1 per day. At the end of the year, you'll have an extra \$365 that you would have otherwise spent.

Give charitably. You will experience less fear and an increased sense of freedom as you give away some of your cash to help others.

Stop listening to the constant stream of news and short-term market data flowing out of your PC and TV for a week. You'll find it liberating to give your mind a break from hearing that the world has come to an end.

Continue contributing to your retirement account. Dollar cost averaging works especially well when the markets are low. Now's the time that you will be buying more with less.

Finally, share how you are doing with friends, family and fellow church, temple, mosque or synagogue members.

There are people all around you who would like to help if they knew your need.

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