



Suddenly Unemployed or Furloughed?

How to prepare for a sudden loss of income



Almost 1,000,000 US federal workers suddenly found themselves temporarily jobless this week, and hundreds of thousands more are affected with lost income due to the government shutdown.

Restaurants, dry cleaners, retail stores, gas stations, other DoD contractors (Lockheed Martin is laying off 3,000 workers) and all kinds of other workers are losing paychecks because the US government workers are not working.

People who work on commission and self-employed people are often accustomed to fluctuations in income levels. Recent data indicates 25% of Americans are working as contractors. That number is due to rise to 40% in the next 10 years, so even more people are learning to manage budgets on irregular paychecks.

How do we prepare for a sudden loss of income? What if a contract doesn't happen, or we get stuck with supplies for a job that gets canceled?

Ideally, according to financial planners, we all have 3 to 6 months of income set aside as cash in an emergency fund.

But what if we don't? What do we do if we suddenly face a job loss or a few absent paychecks?

1. Don't panic. View this as an opportunity to gather up all household expenses and bills and organize them, so you know what you're dealing with. Make sure you know all of your expenditures.

2. Create a spending and a savings plan that prioritizes what you absolutely need. Separate your needs from mere wants. Be

Mary's Updates

Mary's Video of the Month ~ Do Not Operate from Place of Fear ~



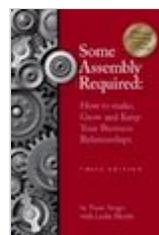
When cars leave the pits during a NASCAR race, they become faster and stronger. They are not operating with fear, and neither should your businesses. [Watch Mary's video here.](#)

Woman's Advantage Calendar

For the fourth year in a row, one of my quotes had been selected for the Woman's Advantage calendar.



Mary's Book of the Month



[Some Assembly Required: How to Make, Grow, and Keep Your Business Relationships, 3rd ed.](#)

by Thom Singer

This book made me ask the question, "If I have friends, am I good at relationships?"

ruthless. Get everyone in the family involved.

3. Eliminate every day-to-day expense that you don't absolutely need. If you don't absolutely need it to survive, cut it, cancel it, or curtail it.

To find savings you may want to look at reducing or eliminating spending on: new clothes and shoes, eating out, drinking out, movies, gym membership, additional cell phone expenses, cable, and any expensive sport or activity such as golf, zip lining, or skiing.

4. Make sure you prioritize your spending plan to allocate cash to the important items that you really need. Necessary expenses might include categories such as food from the grocery store, the mortgage or the rent, taxes, gas or electricity for the home, water and trash, the minimum payments on credit cards, car payments, and insurance on the car, the house, life, medical and dental insurance.

5. If the income loss is going to be long-term, more permanent changes might be necessary.

6. Look hard at long-term expenses. Now is the time to possibly cancel Christmas or summer vacation, and indefinitely delay buying a new car and other large purchases. If the car payments are suddenly a problem get rid of it and get a more affordable vehicle.

7. If you pay other people to do work for you, now might be the time to go back to the do-it-yourself mode. Go back to mowing your own lawn, cleaning your own house, and making fewer trips to the dry cleaners, the barbers, and the coffee shop.

8. Talk to your bank about an automatic line of credit that backs up your checking account, so that any automatic payments will be covered. You don't need an unexpected fee on top of everything else.

9. Call the credit card companies and ask them to lower your APR – the Annual Percentage Rate. Getting a better interest rate BEFORE you have debt helps, and if you already have debt, it really helps.

Remember that there is no grace period if you have ANY balance on credit cards, so the minute you put a purchase on a credit card, you start accruing interest.

Being without income creates uncertainty and angst. Manage it by taking action and taking control.

Please share your feedback on this article on [my blog](#).

Thom Singer helps people who might be changing careers or just starting out in the business world find and cultivate business relationships. The chapter *The Act of Networking: Networking is Not an Act* reminds me of some of my favorite people in business because they are people-connectors. These are the people who are always introducing people and integrating them into their circles. Thom shows the rest of us how to be a people-connector.

I also particularly enjoyed *Your Punch List: Reasons to Keep in Touch*, which spells out more creative ways to keep in touch and how you should strive to be "heard" once a quarter.

This is a fast and fun read, and it is great for people looking for systematized ways of keep relationships strong.

Twitter and Social Media

iGoogle is going away November 1, but there are many other options that create the same type of default screen.

You can save your iGoogle by click the **Options** gear then **iGoogle settings**. At the bottom of the page, click **Export** next to "Export iGoogle settings to your computer."

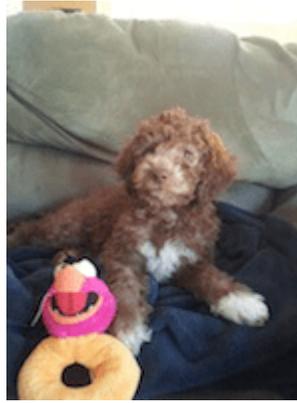
You can download your [to-do list](#) to a file. To download from your to-do list, click the **Download all** option under the **My List** drop-down menu next to the title of your list.

Pet Tip

We got a new puppy, a Lagotto Romagnolo. Bella looks like a mini-Dolly, even though Dolly is a Portuguese Water Dog. Dolly is a great mom to Bella, and even "babysits" on command - "Dolly, babysit the puppy" she'll go get a toy and play with Bella. At less than 9 pounds, Bella is somehow occupying 12 hours a day.

Lagotto's are hypoallegenic and one of the few breeds Mary can love with. But October is National Adopt a Dog Month, so PLEASE consider a pup from a shelter!

Special thanks to Terri Hayes and Robyn Graham, who were Bella's first human babysitters.



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Mary C. Kelly

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