



USSFCU WEBINAR

WOMEN & MONEY

Taking Charge of Your Financial Future



UNITED STATES
SENATE FEDERAL
CREDIT UNION



ON AVERAGE,
WOMEN
WORKING FULL
TIME EARN

82¢

TO EVERY DOLLAR
EARNED BY THEIR
MALE
COUNTERPARTS¹



WHICH MEANS...

Your savings and contributions will likely be lower, leading to a retirement income that is 42% lower, on average, than men.²

WOMEN'S SOCIAL
SECURITY BENEFITS
TEND TO BE

22%

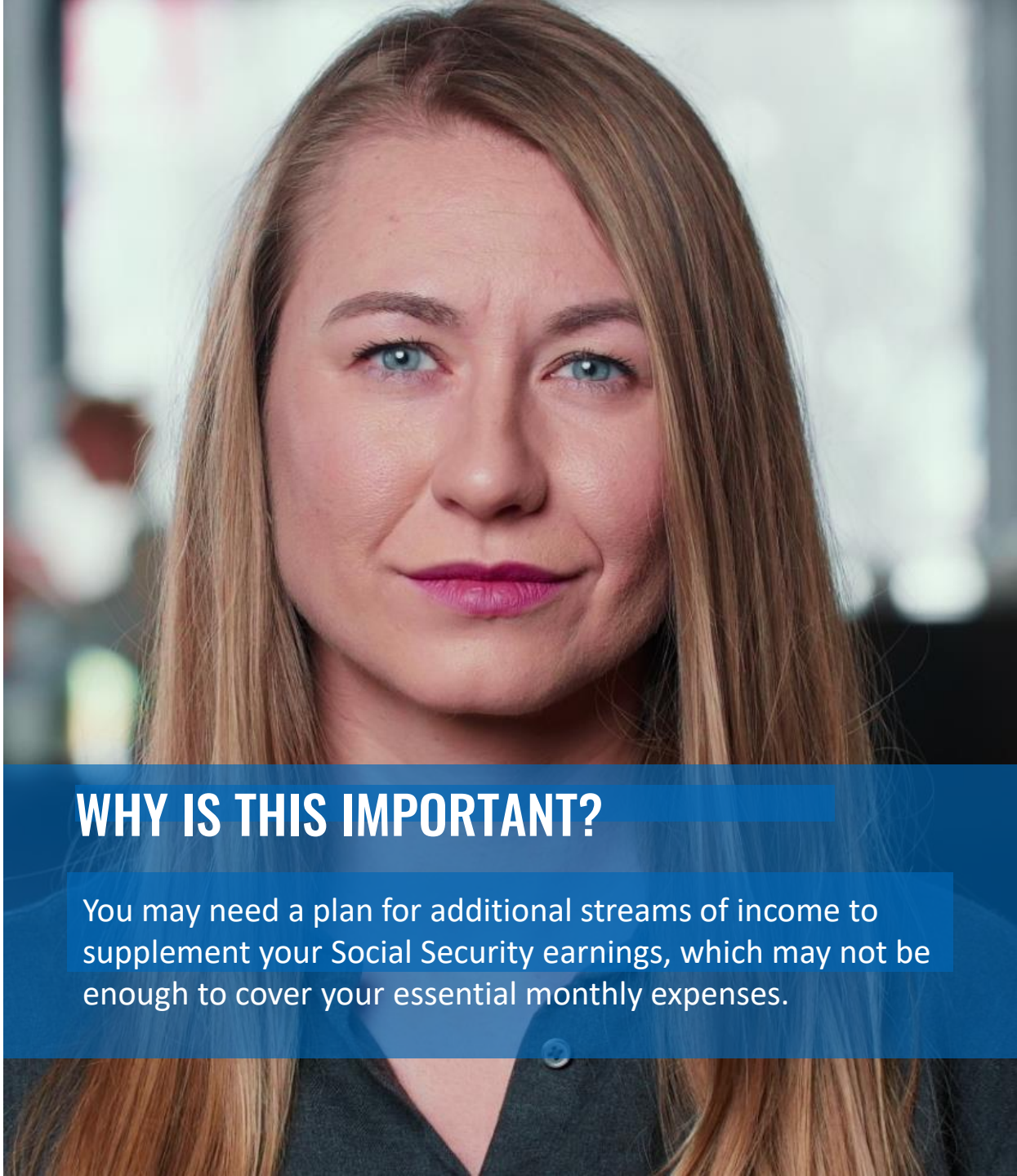
LOWER THAN MEN'S¹

*This gap can get wider
when a woman steps
out of the workforce or
reduces her work
schedule to prioritize
caretaking duties.*

¹ Social Security Administration

WHY IS THIS IMPORTANT?

You may need a plan for additional streams of income to supplement your Social Security earnings, which may not be enough to cover your essential monthly expenses.



THE MEDIAN
401(K)
BALANCE FOR
WOMEN IS

65%

LOWER THAN
FOR MEN

WHICH MEANS...

You will likely need additional retirement income sources to cover your essential monthly expenses, as well as discretionary and unexpected expenses that could arise.



ON AVERAGE,
WOMEN LIVE

5-6
YEARS

LONGER THAN
MEN¹

WHICH MEANS...

You'll need more savings to generate retirement income for a greater number of years to cover expenses including healthcare costs, which tend to be higher for women.

THE PSYCHOLOGY OF MONEY



*How do learned **money values** affect our current behaviors about money?*

WHAT IS FINANCIAL SECURITY?

- Being **debt-free**
- Being in **control** of personal finances
- Feeling **prepared** for financial emergencies
- Steadily **increasing** financial security over time



WHAT'S IMPORTANT TO YOU?

- What do you want to accomplish?
- How do you want to live your life?
- What are your dreams?
- What are your goals?



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REVIEW YOUR CURRENT FINANCIAL SITUATION

PERSONAL FINANCIAL PLAN (Current Net Worth Estimate)

December 5, 2023

ASSETS	VALUE (\$)
Personal Residence	\$750,000
Vehicles	\$18,000
Savings Accounts	\$6,500
Stocks/Bonds/Mutual Funds/EFTs	---
Total short term savings in 24 months	\$8,000
Other assets	---
TOTAL	\$782,000

FUTURE GOALS	VALUE (\$)
Net worth in 1 year	\$330,000
Net worth in 5 years	\$480,000
Net worth in 10 years	\$980,000
Emergency fund in 6 months	\$24,000
Emergency fund in 12 months	\$36,000
Emergency fund in 5 years	\$180,000

LIABILITIES	VALUE (\$)
Mortgage loan balance	\$480,000
Vehicle loan balance	\$1,200
Student loan balance	\$24,000
Credit card balance	\$800
Personal loans	\$1,200
Medical debt	\$5,200
Other liabilities	---
TOTAL	\$512,400

FUTURE GOALS TO PAY OFF DEBT	VALUE (\$)
Total debt in 1 year	\$412,000
Total debt in 5 years	\$312,000
Total debt in 10 years	\$212,000
Total debt in 30 years	\$0 (PAID OFF)



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ANALYZE YOUR FINANCES

- How much is coming in versus how much is going out?
- What expenses will be increasing or decreasing?
- What changes can you make?
- What changes do you want to make?



PUT YOUR PLANS INTO ACTION

- Write them down
- Read them every day
- Don't beat yourself up if you fall back
- Keep moving forward
- Remember little changes yield big results
- Don't give up
- Reassess your situation periodically

ELIMINATE DEBT

REWORK
BUDGET



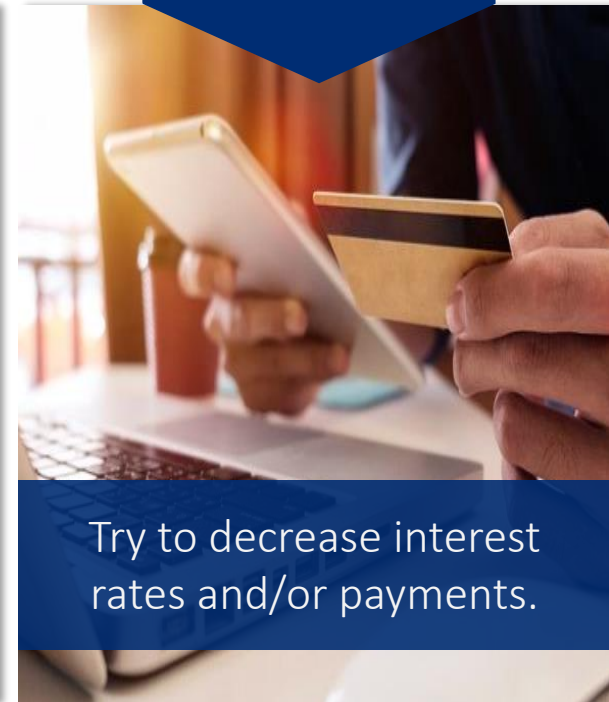
Track spending for 30 days,
adjust budget as necessary.

LIQUIDATE
ASSETS



Only successful if the money
is used to pay down debts.

REFINANCE



Try to decrease interest
rates and/or payments.

DEBT SNOWBALL

Debt	Balance	Payment	Rate
Medical #1	\$80	\$40	5%
Card #1	\$1,060	\$43	21.9%
Medical #2	\$219	\$20	10%
Auto	\$16,202	\$406	8%
Card #2	\$515	\$48	18.9%
Personal Loan	\$3,741	\$210	12.9%
Family Loan	\$127	\$5	0%
HELOC	\$12,000	\$243	7.9%
TOTALS:	\$33,944	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
Medical #1	\$80	\$40	5%
Family Loan	\$127	\$5	0%
Medical #2	\$219	\$20	10%
Card #2	\$515	\$48	18.9%
Card #1	\$1,060	\$43	21.9%
Personal Loan	\$3,741	\$210	12.9%
HELOC	\$12,000	\$243	7.9%
AUTO	\$16,202	\$406	8%
TOTALS:	\$33,944	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
Family Loan	\$117	\$45	0%
Medical #2	\$182.50	\$20	10%
Card #2	\$434.59	\$48	18.9%
Card #1	\$1,012.26	\$43	21.9%
Personal Loan	\$3,399.61	\$210	12.9%
HELOC	\$11,670.92	\$243	7.9%
AUTO	\$15,604.04	\$406	8%
TOTALS:	\$32,420.92	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
Card #2	\$222.86	\$113	18.9%
Card #1	\$885.07	\$43	21.9%
Personal Loan	\$2,513.49	\$210	12.9%
HELOC	\$10,829.07	\$243	7.9%
AUTO	\$14,073.91	\$406	8%
TOTALS:	\$28,524.40	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
Personal Loan	\$1,032.48	\$366	12.9%
HELOC	\$9,442.11	\$243	7.9%
AUTO	\$11,844.50	\$406	8%
TOTALS:	\$22,319.09	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
HELOC	\$8,896.01	\$609	7.9%
AUTO	\$10,856.83	\$406	8%
TOTALS:	\$19,752.84	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
AUTO	\$5,243.51	\$1,015	8%
TOTALS:	\$5,243.51	\$1,015	

DEBT SNOWBALL

Debt	Balance	Payment	Rate
TOTALS:	DEBT FREE!	\$1,015	

COMMUNICATE WITH CREDITORS

1. Make The Call

2. Speak With
Decision Maker

3. Know Options

4. Propose New
Payment

5. Make a Paper
Trail



LENDER STRATEGIES



LOAN
DEFERMENT



LOAN
FORBEARANCE



LOAN
EXTENSION



DEBT
CONSOLIDATION
LOAN



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DEBT SETTLEMENT

- Settle for less than owed
- Can damage credit
- Be cautious of third-party settlement



DEBT MANAGEMENT PLAN

- Repays debt balances in full within 5 years
- May be able to get concessions from creditors to make repayment more manageable



DEBT MANAGEMENT PLAN IN ACTION

Creditor	Interest Rate BEFORE DMP	Interest Rate <u>ON</u> DMP	Monthly Minimum Payment BEFORE DMP	Monthly Minimum Payment <u>ON</u> DMP
Creditor A	20%		\$280	
Creditor B	15%		\$206	
Creditor C	24%		\$184	
Creditor D	29%		\$70	
		Totals:	\$740	

DEBT MANAGEMENT PLAN IN ACTION

Creditor	Interest Rate BEFORE DMP	Interest Rate <u>ON</u> DMP	Monthly Minimum Payment BEFORE DMP	Monthly Minimum Payment <u>ON</u> DMP
Creditor A	20%	2%	\$280	\$168
Creditor B	15%	7.3%	\$206	\$153
Creditor C	24%	17%	\$184	\$94
Creditor D	29%	9.9%	\$70	\$27
		Totals:	\$740	\$442

DEBT MANAGEMENT PLAN IN ACTION

Creditor	Interest Rate BEFORE DMP	Interest Rate <u>ON</u> DMP	Monthly Minimum Payment BEFORE DMP	Monthly Minimum Payment <u>ON</u> DMP
Creditor A	20%	2%	\$280	\$168
Creditor B	15%	7.3%	\$206	\$153
Creditor C	24%	17%	\$184	\$94
Creditor D	29%	9.9%	\$70	\$27
		Totals:	\$740	\$442
		Average DMP fee:		\$38
		Total:	\$740	\$480

STUDENT LOAN OPTIONS

UNDERSTAND
WHAT TYPE OF
LOAN YOU
HAVE

REPAYMENT
PROGRAM
ELIGIBILITY

GOAL: PAY IT
OFF FAST,
LOWER
PAYMENT, ETC.



CREDIT REPORT



AnnualCreditReport.com

877-322-8228

You can receive your credit report
ONLINE or by **MAIL**



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WHAT'S ON YOUR CREDIT REPORT?



- IDENTIFYING INFORMATION
- OPEN ACCOUNTS
- CLOSED ACCOUNTS
- COLLECTION RECORDS
- INQUIRIES
- CONSUMER STATEMENT

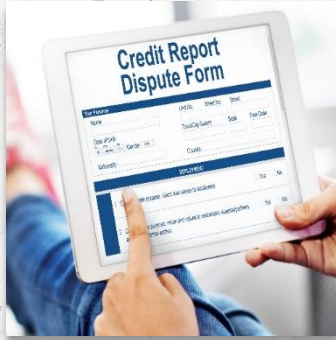
Good News!



Positive credit activity stays on your report **indefinitely!**

Example: on-time payments for credit cards & mortgages

CREDIT REPORT



Send copies, keep records,
document the claim.

File a dispute online, phone
or by mail.

Didn't like the outcome?

File a complaint with
**Consumer Financial
Protection Bureau (CFPB)**

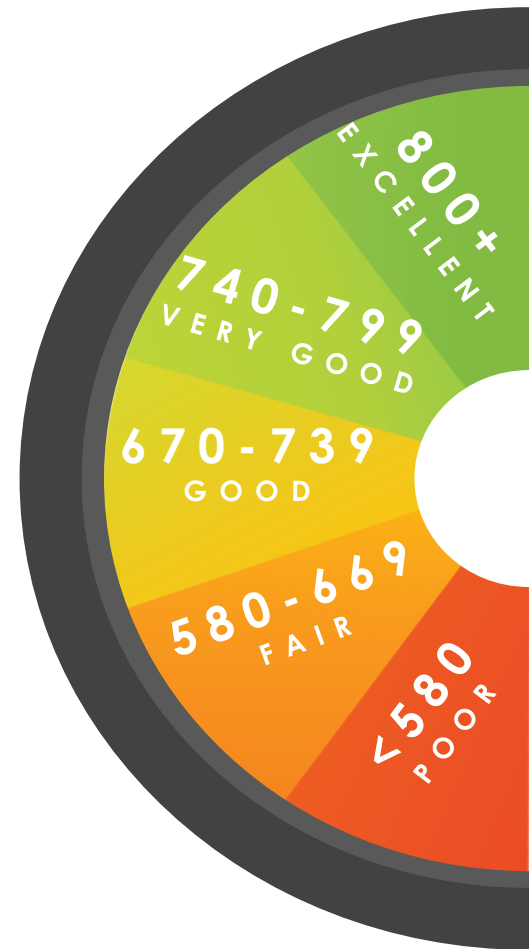
855-411-2372

CREDIT SCORES

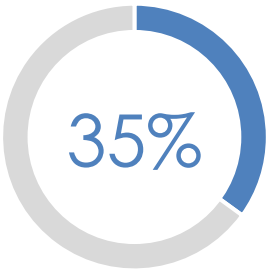
- The 3-digit number reflects your **credit risk** and likelihood of **repayment**.
- **FICO** is the most widely used scoring model.

LOWER RISK

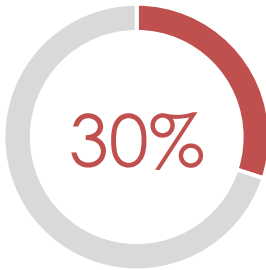
HIGHER RISK



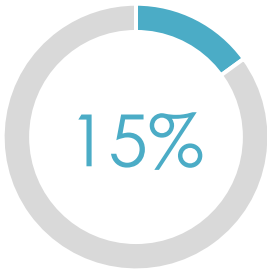
CREDIT SCORE BREAKDOWN



Payment History



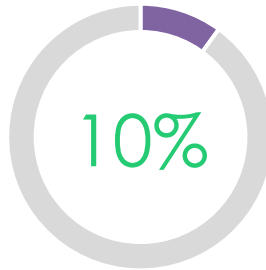
Amounts Owed /
Use of
Available Credit



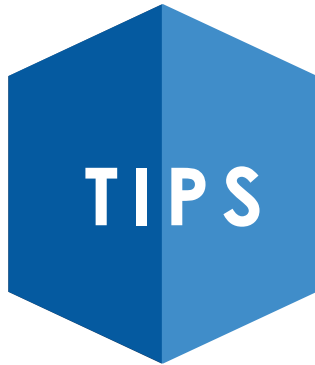
Length of
Credit History



Types of
Credit Used/
Credit Mix



New Credit



FOR USING
CREDIT WISELY

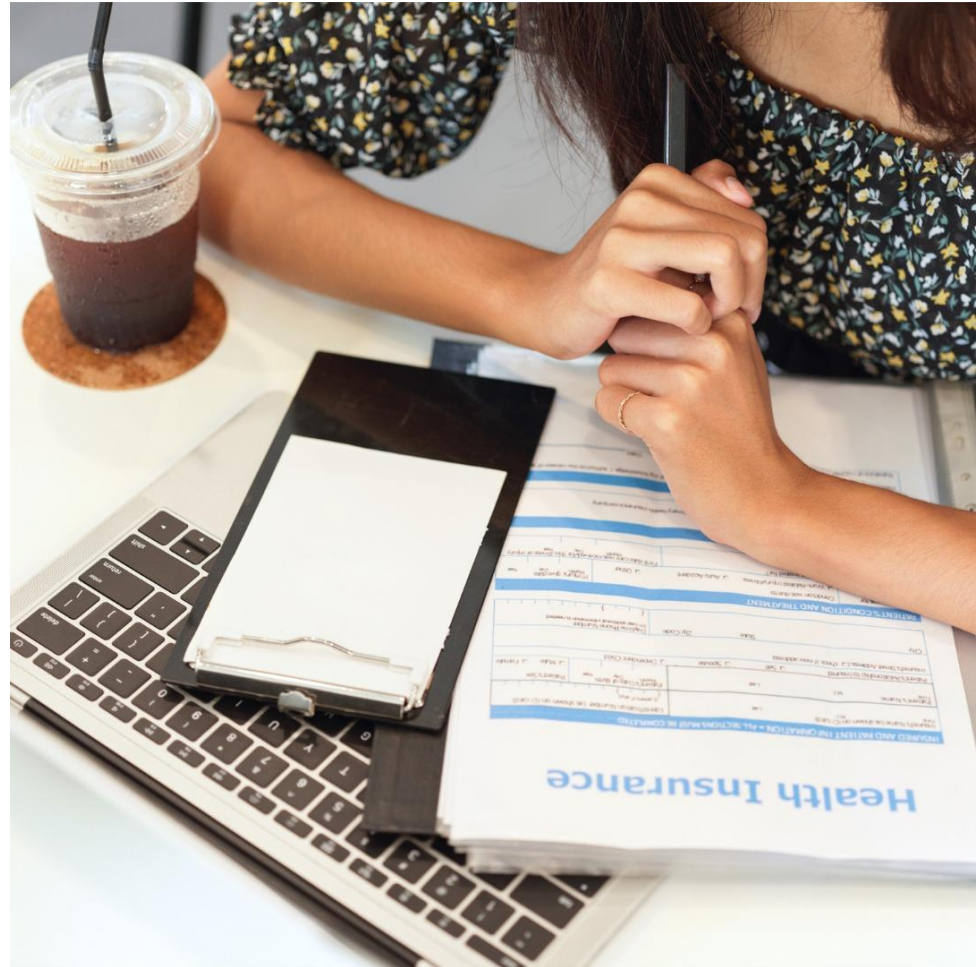
BECOME FAMILIAR WITH INVESTMENT VEHICLES



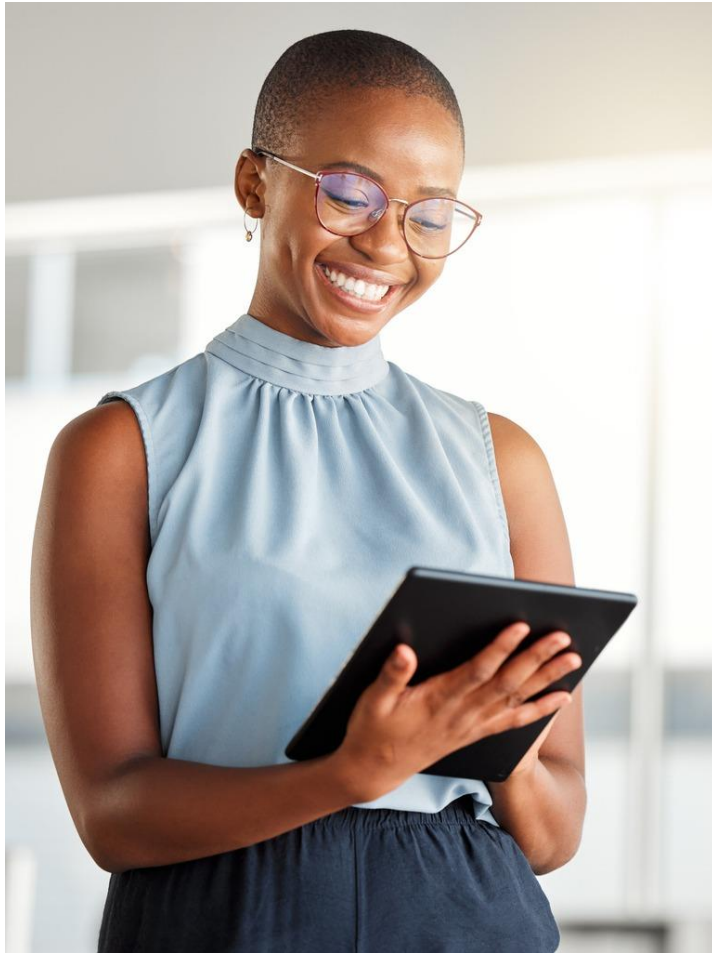
- Stocks, bonds, and cash
- IRA, 403(b), 401(k) & mutual funds
- CDs and savings bonds
- Tax vs tax-advantage

PROTECTION

- Life
- Health
- Auto
- Renters
- Homeowners
- Umbrella



CONSIDER A FINANCIAL PROFESSIONAL



- Initial consultation is generally free
- Some charge hourly
- Make sure you are comfortable
- Interview several
- Don't be afraid to ask questions until you "get it"
- Look for one who will take time to educate you



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- Goal-Based Financial Planning
- Investment Advisory Services
- Retirement Planning
- Estate & Legacy Planning
- Personal Insurance
- Small Business Planning

FAS@USSFCU.ORG | USSFCU.ORG/FAS | 571.205.1515

REFER A FAMILY MEMBER & GET REWARDED



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Sponsor a family member for credit union membership at USSFCU and **you'll both receive \$50** once they successfully join and open a checking account with us.*

- Spouse or Domestic Partner
- Parents & Stepparents
- Siblings & Stepsiblings
- Members of your household
- Grandchildren
- Stepchildren
- Children
- Grandparents

GET STARTED AT
[USSFCU.ORG/FAMILY](https://ussfcu.org/family)
Promo Code: Family

There's **no limit** to how many rewards you can earn!

**Terms and conditions apply. Visit ussfcu.org/family for complete details.*