



How to Use Your Stimulus Check

The top five areas you should be prioritizing for your financial wellness

The coronavirus (COVID-19) pandemic has had a financial impact on millions of Americans. Thankfully, some relief is on the way.

Lawmakers recently passed a stimulus package to combat the economic impact of COVID-19. As part of the bill, people are expected to receive payments of up to \$1,200 for each adult and \$500 for every child.

If you are expecting a stimulus check, you may be unsure how to best use the money you receive. This will depend on your unique situation. But in general, here are five areas to prioritize:

#1: Start with the essentials

Prioritize your essentials (the stuff you can't live without) first: things like medication, food, utilities, and housing. Taking care of your immediate needs so you can stay healthy is crucial!

Once you've taken care of yourself and your family's immediate needs, you can

look at other areas to allocate the money.

#2: Emergency Savings

Consider putting at least part of the money toward emergency savings, whether it's an existing emergency fund or one you're starting from scratch. Setting aside as much as you can and knowing it's available if you need it can provide you with peace of mind.

You don't have to think of this as money you won't touch ever: think of this as an emergency fund to help for next month's immediate needs and expenses.

#3: Housing Costs

Next, you should look at housing costs like rent payments or your mortgage. While many states and lenders are taking steps to provide support for homeowners and renters, including suspending evictions and foreclosures, and deferring payments, if you can afford to make these payments you should. They will eventually come due, and staying current will be much less

stressful than falling behind.

You should also reach out to your lender or landlord directly for the most accurate, up-to-date information on programs available if you cannot make your full payments. If you feel stressed about calling your lender or landlord, please reach out to our partners at GreenPath. Their financial counselors are here for you and can help you navigate this conversation.

#4: Auto Loans & Lease Payments

Similarly, you also want to try to keep up on your auto loan or lease if you can. If you have fallen behind, consider using the stimulus money to catch up on late payments.

Many auto lenders are offering payment or debt relief options, such as deferred payments or waived late fees, to help people through the next several months. Most don't want to see you default on your loan or face repossession, so be sure to stay in contact with them and keep them up to date on your situation.

#5: Credit Cards and Unsecured Loans

Lastly, put money towards your unsecured debt payments like credit cards. Lenders and the government are working to provide support for these debts as well. Check your lenders' websites to see what concessions may be available to you if you cannot afford your minimum payments. Keep in mind that interest will likely continue to add up on these debts.

If you've made your minimum payments, set aside money for an emergency fund, and have handled your housing and auto loans, you may want to consider putting some of the money towards paying down the principal on your unsecured debts.

The more you pay off now, the more you will save in overall interest.

Once you've made a plan, you might consider having a buddy — a friend, family member, someone you trust — look it over. This may give you more confidence that you are making the right decisions for your situation.

We Are Here For You

We are here to help connect you with the resources that you need. Through our partnership with GreenPath Financial Wellness, we are able to provide free financial counseling.

GreenPath's counselors are available to talk and help you through these uncertain times. They can help you figure out your plan and will walk through your whole financial picture to help you identify options that can relieve stress and make it easier to bounce back.



Get started today

Free counseling line:

877-337-3399

For additional financial wellness resources, visit:

www.greenpath.com/firstnebraska



Join today or find out more at firstnebraska.org/join-FNCU.

We are proud to partner with GreenPath to provide you with financial wellness education, counseling, and debt management resources