

**A strike is a major sacrifice and one that you need to get financially ready for. Here are 10 steps to consider:**

**1**

**Prepare a complete household budget.**

Do this as a family project and include your:

- Fixed expenses such as mortgage/rent, insurance, loans, installment payments. etc.
- Monthly expenses such as food, vehicle gas and maintenance, repairs, dues, prescriptions, entertainment, etc.
- Future expenses such as income and property taxes.

**2**

**List assets.**

Include income, savings, dividends, cash value of insurance policies, prepaid burial/funeral policies, home equity (difference between home value and amount owed) and resale value of vehicles.

**3**

**Set priorities for your expenses.**

List payments in order of importance. The most important will be your mortgage/rent. Next are utilities, insurance, car payments, and gas. Child support and alimony (if any) are high priorities.

**4**

**Make a complete list of creditors.**

For each, list contact person's name, address, phone number, and e-mail address; account number; total amount owed; and payment schedule and amount.

**5**

**Notify your creditors before getting behind.**

Determine how much you can regularly pay on each bill. If negotiating lower payments is needed, notify your creditors before you get behind. Creditors are usually easier to work with when you inform them before a severe problem arises. Contact them in writing and include your account number, phone number, and address. State why you need to work out payment reduction, refinancing, or delay. Keep copies of your letters and notes from any phone conversations.

**6**

**Pay what you can.**

Even if you can't pay the total amount, pay something regularly. This lowers your overdue balance and lets creditors know you're acting in good faith. Partial payments may keep your account from being turned over to a collection agency.

**7**

**Stay in touch with creditors.**

After your first letter, keep in regular contact with your creditors. This is reassuring, shows a responsible attitude, and may keep them from "hounding" you. Important - Don't ignore your mail. That only makes things worse. If you don't understand a notice or bill, promptly contact the sender.

**8**

**Stop credit purchases.**

Stop relying on plastic. Interest on most credit cards is extremely high. Make larger payments to reduce your balance.

**9**

**Reduce household expenses.**

With your family, plan reductions to stay within your budget.

*Cutting food costs:* Plan less expensive meals. Use leftovers and prepare snacks from scratch. Only shop when you need to, make a list, and comparison shop. Consider shopping options such as food cooperatives, discount stores, and farmer's markets. Eat out less and cut back on fast food.

*Cutting phone bills:* Switch to a money-saving rate plan. Drop features like call waiting or unpublished phone number listing. Look into bundling electronic services such as cell phones, cable, internet, and others.

*Cutting energy & fuel costs:* Turn off lights, TVs and appliances. Cut back on "power hogs" like hair dryers and computers. Lower your heater thermostat, or turn up the air conditioner thermostat, and dress accordingly. Wash and dry full loads of clothes. Cut back on car use.

**10**

**Check into other financial resources**

If you have life insurance, review your policy or talk to an agent to see if you can borrow against your policy. Look into cashing in some stocks or dipping into savings.