

Do you have a survival plan for unexpected loss of income?

Advice on building a cash reserve

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KANSAS CITY, Mo. - Worried about your financial future?

Tuesday night, members of the Financial Planning Association of Greater Kansas City and consumer credit counselors with Apprisen answered viewer calls during a Call for Action call-in special focused on financial planning. Nearly 200 viewers phoned in to ask questions.

Experts always recommend having a cash reserve to carry you through the lean times.

"Having that emergency fund is very important to bridge that person until money starts coming back through the door," Dan Mathews, a financial planner with Stepp & Rothwell, Inc., said.

Here's how you start saving for that unexpected emergency.

Apprisen recommends the following:

- 1) List all your current expenses. Review bills and your checkbook to be realistic.
- 2) Track your spending, especially those small cash expenses.
- 3) List credit cards, loan payments and medical bills.
- 4) Include everyone in the house when adding up all the spending.
- 5) Record income from every source.

Next, prioritize the expenses. Keep mortgage and insurance at the top.

"You don't want to stop paying insurance and then expose yourself to more risk as the result of money stopping, coming through the door," Mathews said.

Apprisen is a national nonprofit credit counseling agency. You can contact the agency for a free consultation if you need help creating an action plan at 800-355-2227.

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