

STAYING ON TRACK

A guide to remaining gambling-free

BOOKLET 3

TAKING CONTROL OF YOUR FINANCES

Brought to you by the University of Calgary.
Funded by the Alberta Gaming Research Institute.

Contents

Financial assessment	2
Making adjustments and developing a plan	7
Limiting your access to money	9

This booklet, *Taking Control of Your Finances*, is the third booklet on relapse prevention in the *Staying on Track* series. In this booklet, you will assess your financial situation and make appropriate adjustments. The importance of limiting your access to money is discussed.

Financial assessment

You have likely experienced a number of financial consequences as a result of your gambling. It is not uncommon for gamblers in recovery to feel overwhelmed by their heavy debts. You may even feel that the only way out of your financial problems is to gamble. However, it is important to remind yourself that gambling is not a way to repay your debts. Financial pressures that are not dealt with may also lead to relapse due to increased anxiety and worry.

Taking an active approach to relieve your financial situation is critical. It is important to tackle your financial difficulties head on rather than seeking bailouts from family/friends. This booklet will help you assess your financial situation, develop a plan, and learn ways to control and limit your access to money.

EXERCISE

Complete this checklist to find out if you are heading for financial trouble.

Over the last 12 months:



- Have you missed any of your monthly credit payments?
- Are any of your credit cards near or over the limit?
- Are you using credit cards to pay for daily needs (food, gas, clothing)?
- Are you using your bank overdraft for day-to-day living?
- Are you getting behind in your rent/mortgage or utility payments?
- Have you used one credit card to pay off another?
- Have you been borrowing money from family or friends to get by?
- Have you been refused credit because of your credit rating?
- Do you worry about money and your debts?
- Are any of your creditors threatening legal action against you (e.g., threaten to sue you, garnishee your wages, seize your car)?
- Are you getting phone calls or letters from collectors about overdue payments?

- Do you and your spouse, or other family members or friends, argue about your debts/financial situation?

Answering YES to any of the above questions may mean that you need to take steps to prevent or solve financial problems.

In order for you to successfully manage your money, you first need to become familiar with your financial situation. Identifying your income, creating a budget, determining what you owe, and creating a plan are all helpful steps to keep you on track.

First, you will want to figure out your monthly income so that you can successfully put aside money to repay your debts or increase your savings.

EXERCISE

Identify how much you have by tracking your monthly income.

Income Sources:	Each Month:
Wages (gambler)	\$ _____
Disability pension or insurance	\$ _____
Wages (others in household)	\$ _____
Child Support/Alimony Payments	\$ _____
Pension/Retirement Plan Benefits	\$ _____
Trust Fund	\$ _____
Unemployment Benefits	\$ _____
Tips/Commissions (average each month)	\$ _____
Welfare Payments	\$ _____
Food Stamps	\$ _____
Social Security	\$ _____
Investment Income (dividends, interest, etc.)	\$ _____

Other \$ _____
Total Income: \$ _____

The next step involves calculating your expenses. Performing this exercise will help you establish where you might be overspending in your budget as well as help you determine how much money you can pay towards your debts.

EXERCISE

Identify how much you need to live, by determining your monthly expenses. Later on you will revise your expenses, so leave the second column blank:

Expenses:	Each Month:	Revised:
Rent/ Mortgage Payment	\$ _____	\$ _____
Home Maintenance/ Repair (average)	\$ _____	\$ _____
Utilities	\$ _____	\$ _____
Telephone Bill	\$ _____	\$ _____
Groceries (average)	\$ _____	\$ _____
Car payment	\$ _____	\$ _____
Car Insurance/Gas/Repairs (average)	\$ _____	\$ _____
Clothing (average)	\$ _____	\$ _____
Other Transportation	\$ _____	\$ _____
Meals Out	\$ _____	\$ _____
Child Care	\$ _____	\$ _____
Laundry and Dry-cleaning	\$ _____	\$ _____
School Expenses	\$ _____	\$ _____
Medical Expenses	\$ _____	\$ _____
Entertainment	\$ _____	\$ _____
Life/Medical Insurance/Premiums	\$ _____	\$ _____
Loans/ Credit Card Payments	\$ _____	\$ _____

Cable TV	\$ _____	\$ _____
Property Taxes	\$ _____	\$ _____
Sport Activities/Events (average)	\$ _____	\$ _____
Cigarettes/Alcohol (average)	\$ _____	\$ _____
Other	\$ _____	\$ _____
Total Expenses:	\$ _____	\$ _____

This exercise will likely show that your expenses exceed your income. It is important for you to become aware of the reality of your situation. Acknowledging your debts and financial situation will better prepare you for the changes that need to be made in the future.

EXERCISE

Compare your income and expenses:

Total income \$ _____

Total expenses \$ _____

Subtract your expenses from your income.

Left over: \$ _____ **If this number is negative, then your expenses exceed your income.**

You will need to have a clear idea of what you owe before you can begin reducing your debts. This exercise will help you determine how much you owe and who you owe it to.

EXERCISE

Identify how much you owe:

Bank loans \$ _____

Others (family and friends) \$ _____

Credit cards	\$ _____
Mortgage	\$ _____
Student loans	\$ _____
Car loan	\$ _____
Stores	\$ _____
Unpaid medical or health bills	\$ _____
Unpaid taxes	\$ _____
Unpaid bills	\$ _____
Total owed:	\$ _____

EXERCISE

Identify the financial issues that you are most concerned with.

EXAMPLE

I am worried that I will lose my house and car because I am behind on my payments.

I am worried that I will not be able to pay child support again this month.



Making adjustments and developing a plan

Reviewing your financial situation here may be your first look at the “total” impact that gambling has had on your life. After examining the whole picture, the situation may appear even more serious than you first thought. It is normal to feel overwhelmed, however, it is important to remember that, with a plan and not gambling, it is possible to recover from financial difficulties.

The first step in your plan should be to think of ways to increase your income.

EXAMPLE

I will take on a second part-time job.

EXERCISE

List ways you can increase your income:



2. The next step is to decrease your expenses.

EXAMPLE

Expenses:	Each Month:	Revised:
<i>Clothing (average)</i>	<i>\$ <u>60-70</u></i>	<i>\$ <u>20-30</u></i>
<i>Other Transportation</i>	<i>\$ <u>20</u></i>	<i>\$ <u>10</u></i>
<i>Meals Out</i>	<i>\$ <u>100</u></i>	<i>\$ <u>40</u></i>

Below are some tips to reduce your expenses:

- ✓ Make your own food; it's cheaper than eating out all the time.
- ✓ Buy generic brands; name brands are more expensive.
- ✓ Use coupons whenever possible.
- ✓ It pays to shop around for the best prices.
- ✓ Car pool or walk to work if possible.
- ✓ Buy second hand furniture and audio equipment rather than renting or buying it new.
- ✓ Barter with friends and family for services. For example, if you were a plumber you could fix the neighbor's sink in exchange for the neighbor babysitting your child for an afternoon.
- ✓ Take advantage of second hand stores for clothes or children's toys.
- ✓ Participate in "free of charge" activities at your local recreational center.
- ✓ Pack a lunch for day outings instead of buying one.
- ✓ If you want to go to a movie try to go on a discount day or to a matinee.

EXERCISE

Go back to page 4 and fill in the second column with your revised expenses.

3. Seek professional advice in order to set up a debt repayment plan.

Seek professional counseling if:

- ✓ There is not enough to cover payments after covering basic living expenses.
- ✓ You are 3 or more months late with any payment.
- ✓ Creditors are threatening you or have started legal action.
- ✓ You need help assessing your finances or can't decide what to do.
- ✓ You are considering bankruptcy.

Be sure not to take any financial steps until you seek professional advice.

Credit Counselling Services of Alberta
Calgary: (403) 265-2201
Edmonton: (780) 423-5265
Elsewhere: Toll free (1-888-294-0076)

EXERCISE

For each financial issue that you identified on page 6, think about what steps you will take to address them.

EXAMPLE

I will go down to Credit Counseling Services tomorrow to set up a plan.



Limiting your access to money

In addition to stabilizing your financial situation, it is also important to avoid further losses. Most people find that if they have cash in their pocket they are more likely to gamble. Many people who do successfully stop gambling say that getting their cash flow under control is crucial. Removing the temptation to gamble whenever possible will help you to avoid a relapse.

This may seem like a lot of trouble, however, you have likely become quite creative when it comes to obtaining money. Following the strategies will make it more difficult to relapse.

1) Turn over finances to a trusted family member or friend. It is normal to feel reluctant to handover control of your money. However, many gamblers have found this to be extremely helpful during the first stages of recovery. Getting your family and friends involved and gaining their support is an excellent way to avoid relapse.

EXERCISE



Tick off all strategies you would consider trying:

- Arrange to receive only the cash needed for the day's expenses.
- Turn over your credit cards or bankcards to a family member for safekeeping.
- Have your wages collected by a spouse or other family member.
- Arrange for a family member or friend to sign for cheques.
- Arrange to have 2 signatures to take out cash.
- Set up a joint account with a family member or a friend.
- Give a family member or friend the rent and bill money. (If you don't feel comfortable getting someone else involved, continue to manage your finances but arrange to limit your access to money.)

EXERCISE



Tick off all strategies you would consider trying:

- Cancel your credit cards or bank cards.
- Make sure cheques are automatically deposited in your bank account.
- Create long term savings bonds that can't be touched.
- Keep a record of all money spent and earned (budgeting).
- Take out only the cash needed for the day's expenses.
- Limit the amount of money you can withdraw in a week (by making arrangements with your bank).
- Tell family and friends NOT to lend you money.

- Do not keep large amounts of money at home.
- Don't keep cash on hand.
- Leave money at home.
- Avoid a job where you handle cash.
- Arrange for how you will handle a gift of money or other unexpected lump sums of cash.

By becoming aware of the triggers of relapse you can identify situations in which you are at risk of relapsing. Being aware of these potentially dangerous situations gives you the opportunity to devise a plan to resist gambling before you find yourself in a high risk situation and will help you stay on track.



