

## Blog

**VSA – Vital Signs Absent** Does this describe your savings? Don't panic. It's not too late to revive your financial situation.

Why save? It seems like a silly question, but many Canadians don't know the answer. We are spending more than we make. There are many reasons to save . for retirement, that long-deserved vacation, a child's education or that special something that makes your heart race.

London Fire Fighters are fortunate to have a secure job and good benefits. Saving for a potential job loss doesn't cross our minds, which is something to be grateful for; however, there are many other situations that can devastate your finances. Two of the leading causes of financial turmoil are the breakup of a marriage/relationship, or a serious illness. Less severe emergencies include the dreaded tax bill, or unexpected home and auto repairs, which can all take its toll on your monthly budget.

In the good old days, an emergency fund was typically 3 months of expenses. Now, experts recommend 8 months due to changing economic conditions. That's a big chunk of change, but it's not impossible.

Saving as little as 10% of your income adds up quickly, and payroll deductions make it a painless way to save. As the old adage states, pay yourself first.

If you're sold on the idea that saving is a necessary evil, you have choices as where to stash your big wad of cash. Keeping your emergency fund liquid is critical . you need to be able to get at your money fast. Your credit union account makes sense for that.

Long term savings can be kept in Mutual Funds, RSPs, RESPs, GICs or the soon to be Tax Free Savings Accounts.

Take time to play with the various savings calculators on our web site under the Tools icon. When you're ready to resuscitate your savings, Charmaine is ready to help.