



HELPING HANDS



The Importance of Having an Emergency Fund

(By Candice Elliott, excerpts from ListenMoneyMatters.com)

It's important to set aside emergency savings that can help in case your home needs an urgent repair or you experience an unexpected loss of employment. Having an emergency fund is one of the most important things you can do. It's part of adulting. Your savings should be able to cover your major expenses for three to six months in case of a loss of income.



The Importance of Having an Emergency Fund

An emergency fund is a pool of easily accessible money set aside for unforeseen expenses like a medical expense or a car repair. Having an emergency fund can be the difference between a small bump in your financial life and complete disaster in your entire life. Having a robust emergency fund gives you peace of mind. No one wants to be one paycheck away from not being able to pay the rent or one car breakdown away from not being able to get to work.

If you decide to leave a relationship or your job becomes so unbearable that you have to leave before finding another or you want to go back to school or start your own business, having an emergency fund gives you the freedom to do those things. Keeping that money separate from the money you use to pay bills can help curb frivolous spending. Sometimes when you see a big number in your checking account you get comfortable and perhaps you overspend. Keeping the money in a separate account can help you avoid temptation.

What is an Emergency?

You should only dip into your emergency fund for a *real* emergency; to keep yourself afloat between jobs, for a car repair, a medical expense, or a home repair. Do not use your emergency fund for things like a vacation, a shopping spree or to upgrade your perfectly good cell phone or laptop. An emergency is not an expected expense, like buying Christmas presents, that you didn't budget for a few months ahead of time. Make a separate account for those expenses.

How Much Should You Save?

Ideally, your emergency fund should be 3-6 months of expenses. That sounds like a lot. With proper planning and disciplined spending, this is possible. If you were to lose your job how much you are spending needs to be different from how you spend when you have money consistently coming in. The number you use to calculate how much three to six months income should include expenses like rent, utilities, car payments, etc. It does not have to include dinners out, entertainment, and clothing expenses or saving for retirement. 3-6 months of basic expenses can be several thousand dollars. You don't have to accumulate it all at once. Set a reasonable time frame to get to the six-month number. Give yourself 1-2 years to save this amount. Growing your emergency fund should be a priority.

Cutting Expenses

Food expenses are basic. Food expenditures can be expensive than getting groceries and eating at you're willing to spend a little time doing some adding more debt as you pay off old debt) can fund. However - paying off credit cards is usually the for an introductory credit card deal that allows you to credit card. Some of them have a 0% APR get a balance transfer card, call up the credit card They aren't going to drop it down from 17% to 2%



controlled - but not eliminated! Eating out is always more home. Most groceries have deals and discounts if research..Paying off credit card debt (and not hamper your ability to accumulate an emergency best way to improve your financial situation. Look transfer your high interest balance to a low interest introductory rate for up to 24 months. If you can't company and ask them to lower your interest rate. but even a small reduction in interest helps.



Take Control of Your Financial Life

The first step toward taking control of your financial life is to find out how much money you take in and how much you spend. Use a budget worksheet to get started.

Pay yourself first. Use a payroll savings plan to automatically deposit a certain amount of money into your savings account each payday.

Keep credit card use under control. Incidental purchases add up. Paying only the minimum amount due each month results in finance charges that quickly make small purchases very costly. Pay your full balance every month.

Protect your personal information. Ask questions before sharing your personal information and know who you're sharing the information with; store and dispose of your personal information securely; maintain appropriate security on your computers and other electronic devices.

Order your credit report from annualcreditreport.com. Make sure the information is accurate, complete, and up-to-date before you apply for a mortgage or other loan, buy insurance, or apply for a job. If you find errors, dispute them.



Comparison shop for home loans and mortgages. A mortgage is a product, just like a car, so the price and terms may be negotiable. You'll want to compare all the costs involved in obtaining a mortgage. This can save you thousands of dollars.

Check out simple and direct information, at consumer.gov, and contact your EAP listed below for free confidential help.

IAM Peer Employee Assistance Program



The heart and soul of the District 141 Employee Assistance Program is the local lodge EAP peer coordinator. These dedicated men and women volunteer their personal time to assist other union members and their families who are experiencing personal difficulties. EAP coordinators do not make clinical diagnoses or clinical evaluations, however, they are trained to make a basic assessment of your situation and refer you to an appropriate resource for a more detailed evaluation. EAP coordinators will follow up to ensure you have been able to access services that addressed the difficulty you were experiencing.

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2018 EAP Classes

Labor Assistance Professionals

Conference Tropicana Hotel, Las Vegas July 15-20

William W. Winpisinger

Education/Technology Center

EAP IV

September 16-21

EAP I

September 30-October 5