Emergency Fund BOOT CAMP

- IT'S A -MONEY THING®

EMERGENCY

HOW MUCH

BE IN YOUR

FUND?

EMERGENCY

MONEY SHOULD

Most financial experts suggest that you have at least six months' worth of expenses in your emergency fund. Track all

of your expenses for a month or two to figure out how much money you will need to get by,

and then use the chart below

to help you zero in on the ideal

size for your emergency fund.

It's time to get your savings in shape—and having an emergency fund in place is a solid step toward a fit financial future.

PREPARE FOR THE UNEXPECTED WITH AN EMERGENCY FUND

expenses or about going into debt to cover costs. An emergency fund will let you focus on getting your life back to normal.

WHAT IS AN EMERGENCY FUND USED FOR?









UNKNOWN UNKNOWNS

Unknown unknown expenses are the expenses that are truly unpredictable. You don't know when they will happen, what they will be or how much you'll need. Unknown unknowns are the motivation for creating an emergency fund.

EXAMPLES

- Sudden unemployment
- Health emergencies
- Accidents
- · Bereavement travel

KNOWN UNKNOWNS

Known unknowns are expenses that are somewhat predictable. You don't know exactly when they will happen, but you know that it's only a matter of time. Known unknowns should be budgeted for separately, outside of your emergency fund.

EXAMPLES

- · Major car repairs
- Pet care
- · Home repair
- · Replacing a major appliance

Monthly Emergency Fund Size Expenses \$ 500 \$ 3,000 \$ 1,000 \$ 6,000 \$ 1,500 \$ 9,000 \$ 2,000 \$ 12,000 \$ 2,500 \$ 15,000 \$ 3,000 \$ 18,000



\$ 21,000

\$ 24,000

\$ 27,000

\$ 3,500

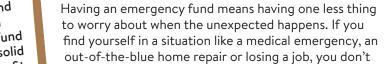
\$ 4,000

\$ 4,500



MAKE THE MOST OF YOUR FUNDS

An interest-bearing savings account is the perfect place for your emergency fund. Ideally, you'll want to have the ability to instantly transfer funds online between your emergency fund savings account and your primary chequing account so that you'll have immediate access to your money if necessary. To allow your emergency fund to grow over time, look for a savings account with a decent interest rate, no monthly fee and no minimum balance.



want to be worrying about how you're going to manage

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