



SEPTEMBER 23, 2022

Feeling the Financial Squeeze!

The past spring and summer, we saw record high prices at the gas pumps. And, when fuel costs go up, this pushes the price of other items sky high! Add to this the global supply issues, staff shortages, and general unrest that also contribute to inflation. Our spending power has dropped substantially, and our ability to save has been challenged.

It's a good time to think about the importance of financial wellness, as part of our well-being. Financial wellness is feeling secure about your financial future; it does not mean that you reach the goal of being financially independent, with millions in the bank. Rather, it means you are able to meet your financial needs, mitigate financial risk, and have a plan to build your savings.

For example, did you know it is recommended that you maintain an emergency fund of easy-to-liquify assets, sufficient to cover three to six months of living expenses such as mortgage, utilities, and groceries, in the event of unexpected large expenses or events?

[Check out this article](#) that discusses emergency funds and seven more financial wellness tips.

Preparing for retirement is a critical step in ensuring your financial wellness. We recommend that you set up a My Account on the [BC Teachers Pension Plan website](#). There you will find an online calculator where you can enter different dates and scenarios to estimate your pension payments based on when you decide to retire.

Remember that in regard to life insurance, BC Principals and Vice-Principals have insurance through their employer's group benefit plan. However, if should you lose your job, this coverage will no longer be available; individual coverage can offer a full safety net.

School leaders are also fortunate to have access to disability plans that supplement your income should you need to take time off work. Between sick days, short term disability (in some districts) and long-term disability, most BC Principals and Vice-Principals should be okay financially should a health condition strike that disables you from work. If you are low on sick days, be aware that – if you are in a district without short term disability coverage – you may not receive any income until you qualify for longer term disability. You may apply for sick benefits through the government's employment insurance program, however the maximum amount of these benefits is substantially lower than a Principal's or Vice-Principal's regular pay. However, be sure that you understand your district's coverage and your qualifications. You may want to ensure you have a good emergency fund, should you need to cover the qualification period for long-term disability.

A handwritten signature in black ink, appearing to read 'R. Morandini', with a stylized flourish at the end.

Rochelle Morandini

Member Health & Well-Being, Director

If you would like to contribute or have ideas about what you would like to see in the ReFresh series, we would love to hear from you: contact rochelle@bcpvpa.bc.ca.