

# THE FINANCIAL FANTASYLAND OF THE FOREIGN SERVICE

## MONEY, ATTITUDES AND MOBILITY

Most people live their lives year by year, meaning New Year to New Year.

For rotational people this feeling of New Year is not the celestial cycle, but the posting cycle; hence, our lives are measured posting by posting.

While ten calendar years pass – ten units of living time – a rotational person may have had four postings – only four units of living time. This establishes a different rhythm of planning, and inspires fewer periods of assessment.

In other words, we may assess our methods of money management less frequently, and therefore, fail to take adequate cognizance of changing needs and opportunities.

There is also the danger of the "Why bother? I'm not going to be here long enough" attitude which encourages an ennuui to set in, and makes inaction seem like prudence instead of laziness. Yet, financial planning is essential.

There are dozens of books that outline how to assess needs and allot disposable income, but in addition, and more specifically, rotational people need to know how the FSD's apply to their personal circumstances. Not only should these be read thoroughly, but both spouses should attend any pertinent briefings and plan their relocation, travel and holidays around the packages available. This not only reduces the cost of relocation to the individual, but knowing correct procedures, and planning accordingly, reduces the chance of additional unnecessary expenses incurred over family reunion, schooling, leave, medical treatment, insurance claims, etc.

The question of rotationality and our absence from Canada must be addressed. A system of long range management for investments in Canada, and procedures for, and the habit of, keeping up with the Canadian financial scene, must be established. There are professional consultants who can best advise on this.



Details that might not be important while we are in Canada become vital when abroad – giving someone the power of attorney, making use of bank services for regular payments, establishing a line of credit, getting a safety deposit box and storing important documents, making and updating wills, understanding the banking procedures in both countries, leaving money in a joint account or setting up a way for spouses to access money in an emergency.

Establish a family spending plan and adhere to it. Assess and re-assess family needs at least every year. Budget for impulse buying and relocation costs. Both are inevitable.

Finally but not least, we have to be aware of, and avoid, the pitfalls of money shock which accompany every international relocation.

Money is money. Know its value and resist the temptation to blow the budget and recoup later. Later often lives up to its name.

There are workshops for every taste and pocket. Books and guidelines for every budget.

Money management is highly personal and individual. It changes with age, career paths, marital status, number of children at home or university, and lifestyle evolution; however, the need for careful planning never changes.

Develop a strategy that works for you.

## Dip Doodles par Vic Lotto

WELCOME TO THE UNITED



How did you know I was Canad'jun eh!