

# BUDGETING CONSIDERATIONS CHECKLIST

## Member's Income

- How will the member's base income change?
- What will likely be the take-home income after taxes?
  - *Note that income tax rates can be significantly different between provinces and should always be factored into the family budget.*
  - *SISIP Financial has access to the Military Personnel Record Resume (MPRR) and can help you get answers to questions you may have about income.*

## Allowances and Premiums

- Will there be changes to allowances the member is currently collecting?
  - *For example, will allowances received for flying, being in the field or at sea be terminated?*
- What is the Post Living Differential (PLD) at the new location?
  - *Despite apparent similarities in the cost of living, some cities like Halifax pay members a substantial PLD, while members in Ottawa do not receive any PLD.*

*Check it out!*  
**Allowances for members**

For more information on allowances that the serving member is already receiving, that they may be entitled to upon posting, or that may be terminated upon posting, consult Chapter 205 of the Compensation and Benefits Instructions.

## Spousal Income

- What is the job market like?
- How long could it take before the non-serving spouse is able to find a new job?
- Will you be able to earn the same income in the new location?
- Will there be a need for recertification in the new location? What will that cost?
- Will you need to be home for a period of time to help the family settle into the new location, thus delaying your ability to commence employment?

## Relocation Benefits

- What financial benefits will the family receive through the CAFRD?
- How long will it likely take to receive those benefits? Can you get an advance?

## New Expenses

- What are the anticipated costs associated with your upcoming move?
- What will it cost to replace the items that cannot be moved (like food, liquids, plants, etc.)?
- What will it cost to set up new accounts for cell phones or internet (may require a deposit)?
- Will there be additional costs for the new home (minor repairs, painting, fixtures, furniture)?
- How much money might you need for unexpected expenses or emergencies?

## Assets

- Are you bringing home equity with you (from a real estate sale) or a loss?
- What kind of savings do you have?
- Are there ways you can increase your savings before the move (selling items, vehicles)?
- How will your cash flow be affected by moving expenses?
- What is the lag between expenses and reimbursement of major moving costs like hotels, food, and car rental?
- Will an advance/loan be needed?
- What mortgage will be possible with the member's income if there is no spousal income?

## Good to know!

Relocation can have many implications for your finances, some obvious, some surprising. In some extreme cases, an analysis of your financial situation and the costs associated with the upcoming posting could demonstrate that such a relocation would mean financial ruin.

In such cases, it is your SISIP Financial Counsellor who can help make this assessment, and their recommendation could be sent to the Chain of Command for Compassionate Status consideration.

## Location

While some expenses may be somewhat uniform across Canada, many are not. Costs associated with housing, childcare, and taxes can vary dramatically from posting to posting. To avoid being caught off-guard, it is worth taking the time to learn as much as you can about the cost of living in your new location.

- Carefully research the typical housing cost in your preferred area.
  - Does it make more sense to buy or rent?*
  - How difficult will it be to sell if you are posted in the near future?*
- What are the daycare costs for the area you want to live in?
- What will the commute to work be for the member and/or spouse?
  - Will living in a remote area necessitate an additional vehicle?*
  - What is the cost of parking?*
  - What are the local public transit costs?*
- What is the cost of cell service and how does it differ from what you are used to paying?
- What do food costs look like and how does this change from your previous posting?
  - The cost of groceries and other household items can be very high in remote areas.*
- Consider what you spend on entertainment (going to a museum, theatre, etc.) against your budget.