

## There's a lot to consider when planning your retirement

As with any stage of life, there are many options and decisions to consider when planning your retirement. Having a plan and strategy in place will ensure that you are able to fully enjoy the retirement you desire.

There are many factors to consider, the most important being when you want to retire and if you'll have the resources to make that possible. Here are some of the things you'll want to keep in mind:

### **What do you want your retirement to look like?**

Discussing your dreams and wishes is crucial when determining how much income you'll need to support your choice of retirement lifestyle.

- How and where do you want to live in your retirement years?
- What activities would you like to pursue?
- Do you want to spend a significant amount of time travelling?
- Have you dreamt of starting a small business?
- Will you move into a smaller home or a vacation property you already own?
- Do you want to ensure you leave money to your family or favourite charities?

### **What sources of income will you have during retirement?**

The various sources of income you could have during retirement can be compared to a three-legged stool. The seat braces you and each of the three legs represents a source of income that supports the seat.

The first leg is government benefits. At retirement, most Canadians are entitled to some kind of monthly income from the Canada Pension Plan (CPP) and/or Old Age Security (OAS).

The second leg of the stool is any employer pension plans you may have. They may or may not index for inflation, which can affect your income option choices.

The third and final leg is your personal investments. Like most people, the majority of your personal investments are likely in the form of registered retirement savings plans (RRSPs). You may also have non-registered investments, which will require a careful choice of income products to minimize tax. While the investment growth in your RRSP's is tax-deferred, growth in most non-registered investments is not.

When you turn 71, you'll have some important decisions to make. By the end of that year, you must convert or mature your RRSPs into another investment vehicle, such as a payout annuity or registered retirement income fund. You'll need to consider if you'll have enough income to support your lifestyle, how you can maximize your tax savings and how you can reinvest your hard-earned savings so they'll continue to grow and support your future.

We can help you develop a plan, identify your options and recommend different investment strategies so you can select the one that best suits your needs.

**You work your whole life for your retirement years, ensure you have a sound plan in place so you can enjoy them.**

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