

Life Letter *mature*

Financial steps to take before you retire

Retiring from the work force is a big step. It's more complicated for us than it was for our parents. It is in your best interest to work with a professional financial adviser who can help you with your retirement plan. To get started, here are some steps to take to prepare for your retirement:

Know your income amount - First, calculate how much income you will have each month. The sources will include employer pension, annuities, Canada Pension Plan and Old Age Security. These are your assured sources.

Next, list all your other plans that can be used to provide additional retirement income. These will include Registered Retirement Savings Plans, Tax Free Savings Plans, investment funds and portfolios, and any investment real estate. Work with your financial adviser to determine the income stream these can provide.

Create a retirement budget - With your retirement income amount in mind, develop your budget to allow you to live within your means. Even though most of your income will increase each year due to inflation, so will your expenses.

Review your risk level - You may have been capitalizing on risk in your investment and savings plans over the years. It can be tempting to become overly conservative for retirement. Work with your financial adviser to find the proper balance in your portfolio.

A properly balanced investment strategy will smooth out the volatility that is more common in today's markets and help your income keep pace with inflation.

Know your health care - Provincial health care plans cover most of our basic and emergency needs. However, you should understand what isn't covered and what won't be covered by your employer provided plan anymore. Consider an individual insurance plan that can replace your employer plan. If you plan on travelling outside your province of residence, don't forget to protect your retirement income with travel insurance.

Long-term care insurance - This insurance is an important part of a proper retirement plan. Essentially, if you are not able to look after yourself, this insurance can pay a daily or monthly benefit to offset the cost of hiring someone to assist you.

Retirement is so much more than a gold watch and a pension these days.

Prepare For Retirement - because it's the responsible thing to do! Call today!

Shelley Bertram Fallis
Life Insurance Broker
Financial Advisor
Buckhorn, Ontario
insure_me@sympatico.ca
1-866-657-3882