RETIREMENT PLANNING

Retirement planning is a comprehensive approach to dealing with the many, often interrelated issues that face retiring individuals and couples. The process involves much more than just positioning investment assets to provide income. As well, health care, housing, estate planning, and lifestyle issues must be considered and plans arranged to deal effectively with these issues.

OBJECTIVES OF RETIREMENT PLANNING

The fundamental objective of retirement planning is to prepare for all aspects of life after work. The planning process should identify and plan for diverse considerations including:

- **Income** — ensure investment assets and pension plans are positioned appropriately for retirement and generating necessary income
- **Continued work** — instead of completely retiring, if an individual chooses to continue working part-time or start a business, tax planning may be necessary. Some social benefits such as Old Age Security may be impacted
- **Geographic location** — if a move to another province or country is contemplated, availability and eligibility requirements of various services as well as costs of living, transportation, taxation, and health care facilities must be researched
- **Activities** — for example, out-of-country travel may require additional insurance
- **Housing** — current housing may not be appropriate from a physical, ergonomic, or financial perspective.
- **Insurance needs** — critical illness, long-term care, extended health and travel insurance needs may change in retirement
- **Estate planning** — ensure personal directives and enduring powers of attorney are in place and minimize ultimate estate distribution costs and taxes (see pages on Estate Planning)

THE RETIREMENT PLANNING PROCESS

The retirement planning process involves looking at options, making decisions, and setting in place a plan to deal with all aspects of retirement life. The Nakamun approach to retirement planning is to help you to:

- Identify realistic retirement goals and choices
- Review your investment assets to ensure they are positioned appropriately to meet your retirement objectives and to convert capital to income in the most tax efficient manner
- Review company-sponsored pension plans to help you choose the most appropriate option for your retirement needs — consider the integration of income from government benefits and your investment portfolio, and ensure survivorship benefits are adequate for your surviving spouse. Making the right choice is critical because that choice cannot be changed at a later date
- Create a plan to achieve your retirement goals and facilitate the choices you make
- Implement the plan
- Review the plan from time to time and make adjustments to meet your changing needs

THE ROLE OF YOUR NAKAMUN ADVISOR

Your Nakamun Advisor can help you through all phases of retirement planning, right from helping you to identify the issues you need to consider, to reviewing your financial position, to structuring a comprehensive retirement plan, to recommending the professionals who can help, and coordinating and working with these professional services.