Retiring Well

Key Financial Considerations

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Agenda

Background

Interest Rates

Pension / Non pension Decisions

Plan / Other Considerations

Most Common Mistakes

Background: The Firm and Myself

BMO Nesbitt Burns

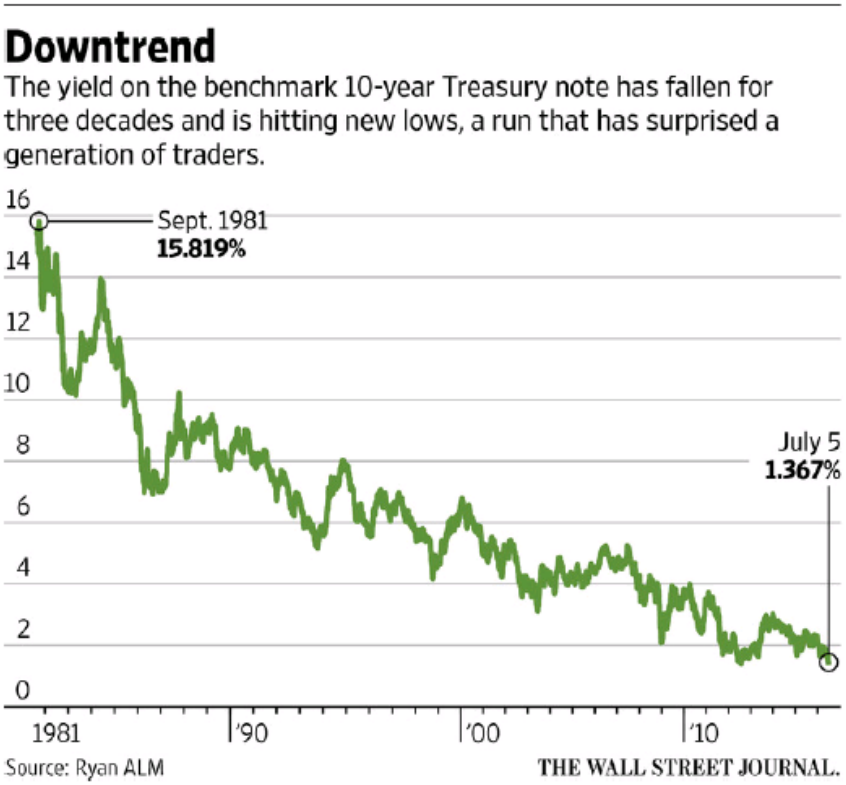
- Top ranked for client service
- Existed since 1912

Michael Kawchuk

- BMO Bank of Montreal - Lethbridge
- Maestro Capital - Malaysia – Analyst
- University of Lethbridge Students Union – VP Finance and Operations
- BMO Nesbitt Burns – Investment Advisor

Saving in Low Rate Environment

- Rates globally have hit an all time low making it difficult for people to save for retirement.
- Lower rates = lower payment from savings.



Pensions

Draw

- Conservative
- Pension payout is not large enough
- Healthy
- Young Spouse

Payout

- Leave a legacy / Estate
- Unhealthy / Family History
- Okay to see value of plan change over time
- If part of divorce settlement partner is paid out based on commuted value

*UAPP AUPE and APO all have different agreements which are subject to change

After Decision

Draw

- Guarantee
- Spousal Payments
- Payments usually end at death
- Check years and contributions

Payout

-Life Income Fund or Locked in Retirement Account transfer

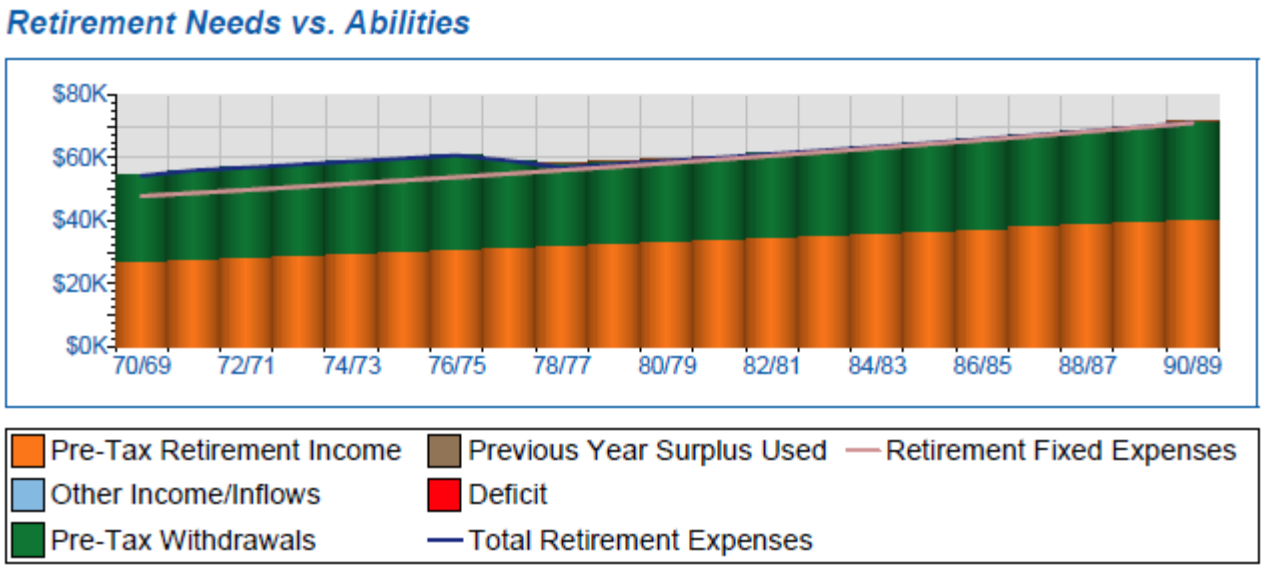
-Value can be drawn off as you wish within prescribed percentages

-Remaining value goes to estate

Planning

Benefits

- Give thought to unknown
- Information on Specific Situation
- Find if on track with Savings
- Will I have Enough?



Planning Continued

- Net worth Statement
- Income projected for life expectancy (90)
- Unique circumstances can be incorporated (small business, property, tax savings)
- Cash flow demonstration

Most Common Mistakes

- Never ending payments (Debt)
- Buying a new Car / Too much house
- No emergency fund / Savings
- Spending outside what is Sustainable
- RRSP’s Draw off / OAS

Conclusion

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Most Common Mistakes

Questions?

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