Teachers Plus CREDIT UNION

RETIRE ON PURPOSE

CREATING THE RETIREMENT YOU WANT

TEACHERS *PLUS* CREDIT UNION

RETIREMENT ISN'T JUST ABOUT HAVING ENOUGH MONEY; ITS' ABOUT CREATING A LIFE YOU'LL ENJOY LIVING

What Does Retirement Mean to You?

When you picture retirement, what do you see?

- Travelling?
- More time with family?
- Volunteering?
- A cottage?
- A new hobby?



Discussion Question:
What are you most looking forward to in retirement?

Being financially ready and being personally ready are not always the same thing — the happiest retirees retire TO something, not FROM something.

The Five Considerations of Retirement

Your retirement foundation:

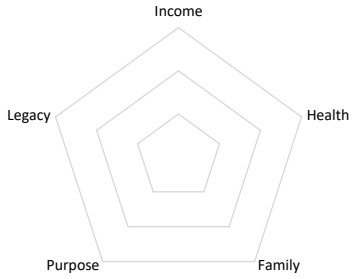
1) Income
- Your financial foundation

2) Health
- Physical and mental wellbeing

3) Family
- Relationships and support systems

4) Purpose
- Meaning, hobbies, volunteering, work

5) Legacy
- What you leave behind



Income is the foundation the other four are built on

Where Will Your Retirement Income Come From?

Typical Income Sources:

- Teachers' Pension
- Canada Pension Plan (CPP)
- Old Age Security (OAS)
- Tax-free Savings Account (TFSA)
- RRSP/RRIF Income
- Non-Registered Investments
- Employment Income

Understanding Your Retirement Paycheque — for each source, ask:

- Is it guaranteed or does it fluctuate?
- Is it taxable or flexible?

The goal is reliable cash flow, not simply a large account balance.

Your Retirement Toolbox

Every tool has a purpose



Pension

Provides predictable monthly income



TFSA

Tax-free flexibility



RRSP/RRIF

Tax-deferred retirement income



Non-Registered Investments

Additional flexibility and liquidity

The right mix depends on your goals

What Will Retirement Cost?

SOME EXPENSES MAY DECREASE:

- Commuting
- Professional expenses
- Mortgage payments
- Saving for retirement

SOME EXPENSES MAY INCREASE:

- Travel
- Healthcare
- Hobbies
- Home maintenance
- Supporting family

Your retirement budget may look very different from today's budget

Retirement Budget Exercise

Do you know your numbers?

Category	Estimated Monthly Amount
Income	
Housing	
Utilities	
Groceries	
Travel	
Healthcare	
Insurance	
Entertainment	
Other	

Making Your Money Last

Retirement planning isn't just about accumulating wealth.

It's about:

- Managing withdrawals
- Maintaining purchasing power
- Handling market volatility
- Creating sustainable income



Retirement income planning is different from retirement saving

The Impacts of Inflation

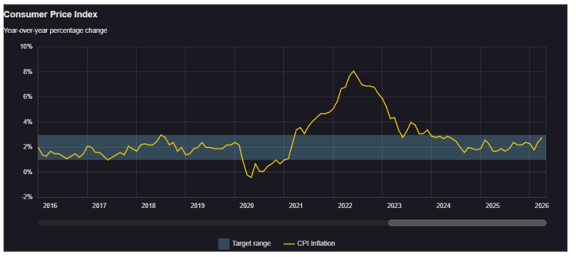
A retirement lasting 25+ years will experience inflation.

Example:

$50,000 today may require significantly more purchasing power in the future.

Questions to consider:

- Will your income keep pace?
- Do your investments provide growth?
- How will you adjust spending if needed?



Source: Bank of Canada

Retirement Risks nobody Talks About

Longevity Risk
- Living longer than expected

Inflation Risk
- Costs rising over time

Market Risk
- Poor investment returns

Healthcare Costs
- Unexpected expenses

Family Obligations
- Helping children or aging parents



Debt and Retirement

Questions retirees often ask:

- Can I retire with a mortgage?
- Should I pay off debt before retirement?
- Should I use savings to eliminate debt?

There is no one-size-fits-all answer.

The goal is to enter retirement with a manageable financial picture

Taxes and Retirement

Retirement does not mean tax-free.

Potential sources of taxable income:

- Pension income
- CPP
- OAS
- RRSP/RRIF withdrawals
- Investment income

Canada Revenue Agency

Planning opportunities:

- Pension income splitting
- TFSA withdrawals
- Coordinated withdrawal strategies

OAS Recovery Tax (Clawback)

Higher income can affect OAS benefits.

Important considerations:

- Large RRIF withdrawals
- Employment income
- Investment income

Good planning can help reduce surprises!



Insurance in Retirement

Your insurance needs may change.

Review:

- Life Insurance
- Travel Insurance
- Health and Dental Coverage
- Long-Term Care Considerations

Questions:

- What coverage do you still need?
- What coverage can be reduced?



Protecting your Family and Legacy

Important documents include:

- Will
- Power of Attorney
- Personal Care Directive

Review:

- Beneficiary designations
- Estate plans
- Executor choices



Estate planning is an important part of retirement planning

Your Retirement Action Plan

Within the Next 12-Months:

- Estimate retirement expenses
- Review income sources
- Review investments
- Evaluate debt
- Review insurance coverage
- Update beneficiaries
- Create or update estate documents
- Meet with a financial advisor



Retire on Purpose

A solid financial plan is what makes everything else possible.

- Get your income sources, budget, and tax strategy in place.
- Meet with a financial advisor to build your plan.
- A strong plan gives you the freedom to focus on what matters to you.

Retire with confidence. Retire with purpose!



Questions?