

## YOUR SUCCESSFUL RETIREMENT SOLUTION PODCAST (transcript)

**Pascale:** Chad, can you please explain what you mean by a Holistic, Integrated Retirement Income Plan?

**Chad:** Thanks for the question Pascale. If you were building a new home, would you believe that an architectural plan needs to be created before construction even begins?

Unfortunately, maybe only 20% of the people who attend our retirement seminars actually have a BLUEPRINT created for their retirement. Most people can't answer the following questions:

1. How much income, after-tax, will we need for the ACTIVE years during retirement and then how much income will be required for our PASSIVE retirement years?
2. What are the various income sources that we will have in retirement, including company pension plans, CPP, OAS, and so on?
3. How much investment money and what investment rate of return do we need to achieve our desired income goals in retirement?
4. Do we have an ARCHITECT, who will create our plan? Who will be our GENERAL CONTRACTOR to ensure that all the pieces of our plan are cohesively put together?

Pascale, too often I see people having 2 or 3 investment advisors. They also have an insurance agent, a banker and maybe a tax preparer. All of their various "advisors" are not talking to one another.

Not only do people not have a HOLISTIC retirement plan, but there is no INTEGRATION. Most families don't have one person who is ensuring everything is properly coordinated. That's why people need to have a RETIREMENT ARCHITECT AND RETIREMENT GENERAL CONTRACTOR in place to ensure their Successful Retirement!

**Pascale:** Chad, what do you mean by ACTIVE and PASSIVE retirement years?

**Chad:**

- ACTIVE years is generally the first 10 – 15 years of retirement. More income is often needed to allow people to travel and enjoy their lifestyle when they are typically still quite healthy and wanting to be very ACTIVE.
- PASSIVE years is typically the last 10 – 15 years of retirement. Much less travel and likely lower income is required during this phase. However, some people are very concerned about extra health care costs as they age, therefore they may want to have as much income during their PASSIVE years as they have during their ACTIVE years.

**Pascale:** Chad, is there a special qualification that a Retirement ARCHITECT and Retirement GENERAL CONTRACTOR should have? Aren't most "financial advisors" qualified to be a Retirement Income Planner?

**Chad:** Unfortunately, in my opinion, the majority of "financial advisors" are primarily investment or insurance specialists. Very few advisors' true value proposition is acting as a RETIREMENT INCOME PLANNING SPECIALIST with a focus of providing HOLISTIC, INTEGRATED RETIREMENT INCOME, TAX, INVESTMENT AND ESTATE PLANNING.

When I became an investment advisor in late 1994, I immediately started teaching people on all aspects of retirement planning. I made my money by getting paid for managing my clients' investments, but I attracted and kept my clients for many years, because of the INTEGRATED PLANNING I did for these people, from day one.

Pascale, I believe many advisors do a good job of primarily focusing on helping people make wise investment decisions to help grow their portfolios to a sufficient amount that will allow them to retire. This is called the **ACCUMULATION PHASE**.

However, within 2-5 years before someone is going to retire it is very important to start working with an advisor who specialized in the **DE-CUMULATION PHASE**, the period of time when you are already, or getting ready to start withdrawing money from your portfolio.

Tax Planning is crucial during this DE-CUMULATION PHASE. Your advisor needs to have answers to the following questions:

1. When should you start drawing your CPP and OAS?
2. When should you convert your RRSPs to RRIFs and start drawing an income?
3. Are you properly NAVIGATING THE TAX BRACKETS to ensure you are spitting your retirement income with your spouse and minimizing your tax, both now and in the future on your estate?
4. Is your investment advisor doing your tax planning and filing your returns? Or does your advisor at least have someone on his or her team who coordinates the tax planning with the investments and your retirement income?

This is what I mean by **HOLISTIC, INTEGRATED RETIREMENT INCOME PLANNING** and this is what a RETIREMENT INCOME PLANNING SPECIALIST provides for his or her clients.

To learn more about RETIREMENT INCOME PLANNING and our team, please go to [www.capitalconceptsgroup.ca](http://www.capitalconceptsgroup.ca)