



Reflections



Message from the Editor

Worrying about not having enough money in retirement? In this edition, we explore lots of practical ways to **Save Money** by cutting back on expenses now and when you retire.

On page 2 Jim Nininger, former CEO of the Conference Board of Canada, offers you **Lesson #3** of his Six Lessons - **Be Prepared for Leaving - It Happens Sooner Than Later.**

*Nancy Conroy, Editor
(Nancy Conroy, President of The Conroy Group Inc. is creator of LifeScape, a web-based retirement planning tool.)*

If you are not the original recipient of this newsletter but would like to receive future issues, contact touchette@rpi-ipr.com.



Reflections is going to get a face lift! In 2006, we will be sending you an e-mail version of the newsletter with more content, a jazzy new look, and greater interactivity. Coming in 2006 – watch for it!



The Experts Speak..... Ways to Save Money

by Nancy Conroy

We know from the research literature that many Canadians worry a great deal about how they will be able to afford to live on lower incomes in retirement. This article explores some of the simple ways that you can manage your spending to decrease day to day expenses, both now and in retirement.

Seniors Discounts

Did you know that movie theatres here in Ottawa have a special price for anyone over 55? The first time that the cashier at the theatre asked me if I was eligible for the seniors' discount, I was horrified! Did I really look like a senior? Now my husband and I readily admit that we are over 55 – we save \$2 each on our movie ticket. Given the cost of going to the movies these days, that represents a real savings.

Many organizations offer special rates if you are over a certain age. On a trip to Nashville several years ago, my husband decided to play golf. When he signed in they asked if he was over 50. He said he was and they gave him the 'seniors' discount. Different organizations use different ages. It's worth asking at

the places where you spend money if they have such discounts. You can view a publication for free at www.ottawaseniors.com that lists companies in the Ottawa area that do offer discounts. Some have a general ongoing discount and others offer discounts on certain days.

Retiree Organizations

There are two organizations that you should be aware of that could help you cut down on expenses. First of all, as a public servant you are eligible to become a member of the Federal Superannuates National Association (FSNA). The fee is \$30 per year for retirees and \$10 if you are not yet retired. This advocacy group protects the interests of retired members of the federal public service pension plan. They also offer great deals on various kinds of insurance, including long term care insurance. They also have arrangements for member discounts with a number of travel organizations like hotels and car rental agencies. Check out their web site at www.fsna.com for details.

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Jim Nininger's Six Lessons

Lesson #3: Be Prepared for Leaving – it happens sooner than later.

A good friend of mine used to run a major national company. During his time as chief executive officer, he had to plot out and execute a very complicated strategy to carry the company through a difficult period. He was always poised and ready, for subtle industry shifts, the slightest market change, for contingencies and the unforeseen. Millions and millions of shareholders' dollars depended on it.

But, his wife confided, he didn't have a clue about what he would do with his retirement. Although finances were not going to be a problem for them, she admitted her husband had not really taken a good look at their own "numbers". What's more, he had no real idea about what he would do. He hated talking about it and when they did talk, the conversation broke down in arguments.

Not an unusual situation, even for people whose entire working lives are consumed with thinking and planning.

Why don't we all get ourselves ready for this period of our lives? Well, the research suggests a number of reasons. And probably top of the list is fear. Often, of course, it's just fear of the

unknown. Who will I be without my title? What will I do with time? Sometimes it's fear of what you know all too well: I don't have enough money to retire, or, my spouse and I can't stand being together all day long.

Another reason is that people see themselves as just too busy – busy with work, and with keeping abreast of life's many obligations – to stop and think about retirement. Also, this is not necessarily easy. Depending on your circumstances, preparing for retirement can be plain hard work, taking a lot of time and thought and maybe involving outside counsel.

Here's a reason that wouldn't apply to everyone but certainly might if you've spent your work life operating in teams. Planning for retirement is, at least initially and often totally, a solitary occupation. People who are used to strategizing in teams and feeding off others' energies and ideas can feel blocked. And here's another reason, and one we can all understand: the delicious if guilty luxury of just putting something off because it's still in the future.

Well, the people that I talked to in my retirement research offered this advice.

- **Be prepared.** It seems self evident yet we know it isn't done. The people I interviewed invariably said they wished they had started planning earlier. Don't wait until the last couple of years. In fact, many people said they wished they had started thinking about the retirement phase of life in their thirties.
 - **Leave on your own terms,** if at all possible. You may get caught in a downsizing or another kind of corporate shift and you have to deal with that. But if you get yourself prepared, you have more control over your options.
 - **Know when.** The real temptation is to hang on past a good due date. You may be urged to do so and that can be very flattering. But the truth is it's easy to overstay your welcome. If you do, you lose control of the agenda.
 - **Bring closure.** If you want to quietly clean out your desk and just vanish, that's okay. But celebrate your achievements. Acknowledge your transition and your emotions around it.
 - **Talk to your partner.** As much as possible, plan together.
 - **Practice being retired.** Most people work full throttle and
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Saving Money

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You can also become a member of the Canadian Association of Retired Persons (www.carp.ca). If you are not yet retired, don't let the title stop you from joining. Even before you retire, you are eligible as a member to access many of their discounted products and services. Membership costs \$19.95 per year.

Travel

Many pre-retirees indicate that they plan to travel when they retire. Now we all know that travel costs money. So...the question is how can you achieve this objective at the lowest possible cost. Here are some ideas for you.

Fred Perry, author of *Charting a New Course*, has a great idea for saving money on travel. He and his wife travel during off peak seasons and they pick a different country each year based on where they can get the best exchange rate deal. He says this approach works amazingly well. Check out his book for more details on how to travel inexpensively, especially once you retire.

Another way to save money on travel is to swap houses with someone in the

destination of your choice. While you visit their country and live in their house, they are doing the same thing in your house. This saves an amazing amount of money on accommodation. You still have to pay to get there and you may have to rent a car once there. However, some home swaps include use of a car. Companies like Home Link International (www.homelink.ca) provide the on-line service that facilitates finding a match, and all you have to do is pay a membership fee.

Gas

Now this is an area where we would all like to be able to save money, with gas selling at well over a dollar a litre in recent weeks. One option is to use your car more strategically. Check out this web site <http://biz.yahoo.com/brn/050811/13369.html> for some tips on how to reduce your use of gas. Comparison shopping can save you money.

It is very important in planning your retirement to have a good idea of your expenses now and your anticipated expenses when you retire. There are lots of ways to reduce expenses. Taking a hard look at this side of the financial equation will give you a better handle on how much you will need to fund the lifestyle you want.

Six Lessons

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then come to a complete stop. However, if your workplace has opportunities for retirement practice – such as shortened work weeks, sabbaticals, special assignments – take advantage. You'll get “the feel” of a different pace and lifestyle.

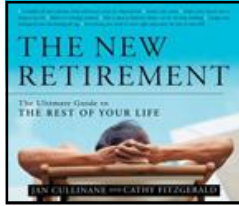
- And here's some advice I never would have thought of, but actually, a number of people talked about this. **Consider the season.** Some people are invigorated by, for example, snow and winter sports and love the idea of retiring in winter. Others would feel depressed and shut in. Maybe they like the idea of making a fresh start in the spring, or September. Well, you get the idea. It's an individual thing. Use good common sense. If you can arrange the date, make the calendar work for you.

Stay tuned for Lesson #4 – *Cutting Yourself Some Slack*

**“All I ask is a chance to prove that
money can't make me happy”
Spike Milligan**



Resources Reviewed



The New Retirement: The Ultimate Guide to the Rest of Your Life. 2004.

Jan Cullinane and Cathy Fitzgerald.

This recent release focuses on the non-financial, with a particular look at where you might live in retirement. It examines desirable locations in the US, Canada, Costa Rica and Mexico.

www.garybeene.com/retire/

This US web site has a great section on retirement. There are web pages on almost every retirement topic you can think of along with calculators, book reviews, and links to other retirement sites. All in all a site with something for everyone.



Volunteer Ottawa



As promised, we now have the details regarding the Volunteer Conference being hosted by Volunteer Ottawa on November 5, 2005. Check out the details at www.volunteerottawa.ca. This conference is aimed at people who work at various levels for volunteer organizations but would also be a great learning experience for anyone researching the possibility of becoming a volunteer in retirement.



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Upcoming Seminars

Upcoming Three Day English Seminars

2005:	Nov 16-18	Nov 23-25	Nov 30-Dec 2	Dec 7-9
2006:	Jan 11-13	Feb 15-17	Mar 8-10	Mar 15-17

Upcoming Two Day English Seminars for Executives

2005:	Nov 7-8
2006:	Feb 13-14

Contact the Retirement Planning Institute for more information.