

# Quick 10-Minute Retirement Guide



How to Retire Comfortably Without  
Running Out Of Money



**LIBERTY**  
International Investment Management



**Rory Burke CFA**  
Educating Canadians to make smarter  
"retirement" choices

# Introduction



## **RORY BURKE CFA**

**Associate Portfolio Manager**  
*Helping People Achieve Financial Freedom*

Dear Friend,

Thank you for taking the time to read this very important guide that is designed to help you understand how to retire comfortably without running out of money.

I help individuals and families create a sound financial strategy with different investment solutions.

Over the many years of working with individuals and business owners, I have found that most people are busy with their fast-paced lives trying to achieve their goals and dreams but often fail to look at core elements of their retirement plan.

As a result, they end up having to delay their retirement and face challenges to live the life they desire. Our goal with this report is to educate you on key aspects of a sound retirement plan and the key questions you must consider in order to retire comfortably without running out of money when you need it most..

Every individual has unique needs and my job is to help them find the right solution. With this report, I do not intend to suggest that the specific examples of strategies is the right solution for you.

It may or may not be and at the end of the report, you'll be able to book a complimentary strategy session with me to discuss your specific situation.

Please block 10 minutes to do this with your spouse or partner.

Now with that said, let's get going.

Enjoy :)

Rory Burke

Retirement planning can be one of the most daunting and challenging decisions for individuals and families to make.

There are many questions that one needs to answer to be able to prepare for retirement. A lack of proper planning can lead to delayed retirement. Most people work their entire lives to save enough to retire but then are not able to decide when is the right time.

To help you with proper retirement planning, minimizing risks and seeking proper advice, we recommend keeping the following questions in mind.



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Disclaimer: This report is written as a general source of information and education only and should not be considered personalized investment advice. It is not intended to buy or sell specific investments, or to provide tax, legal, or investment advice. Seek advice on your individual circumstances from an Advisor.

# 1: Where do you stand in your retirement journey?

Most people plan to leave the workforce at some point in time, so retirement planning is something that everyone must do.

Most people fall into three key life stages. It is crucial to understand these stages since your retirement strategies will be different depending on your stage.



## Planning for Retirement

When it comes to your financial future, the most important factor in your favor is your age. You must take advantage of the time you have, make regular contributions to tax-advantaged retirement accounts and potentially boost savings with matching funds offered by your employer.

Your goal should be to begin building assets and income streams for your retirement, accounting for factors such as longevity, healthcare costs, inflations, etc.

## Nearing Retirement

As you approach the end of your career, you must review your goals and plan for life in your retirement. Some key questions you must answer include:

- When do you want to retire?
- How will you spend your days?
- Where do you want to live?

You need to estimate your income and expenses and establish a cash flow management strategy for your retirement. If you need to catch up you may consider making larger contributions to your retirement accounts, start looking into ways to maximize pension benefits and examining options.

## In Retirement

The key to retirement is your income and tax-efficient withdrawal strategies. You may want to consolidate your assets, and investment accounts. This will help you plan a steady pay check to ensure you meet your lifestyle and giving goals. Remember planning continues in retirement.



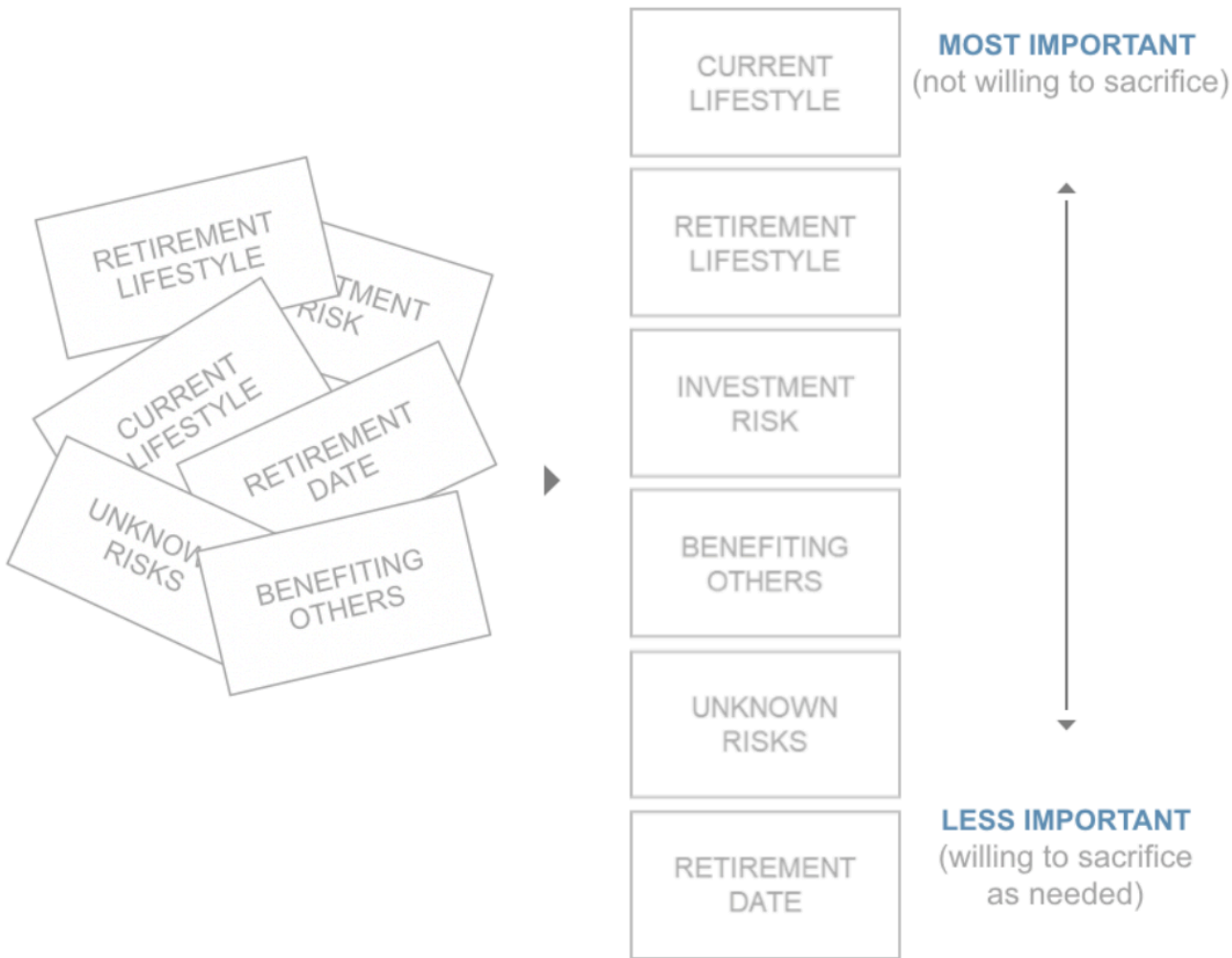
# 2: What are your goals for retirement?

***“A goal is a dream with a deadline” Napoleon Hill***

Your goal may change over time. When it comes to setting retirement goals, you must take into consideration how do you plan to spend your “time” and “money” during retirement. It is always best to write down your goals.

Some questions to help you come up with these goals are: Where do you want to live? What do you want to do with your time? Do you want to give to charities? Do you want to give to your children and grandchildren? Do you want to learn new skills you are passionate about? Do you want to travel?

Retirement planning requires individuals and families to prioritize among competing objectives and establish where they might be willing to sacrifice to achieve their goals.





### 3: What are the important trade-offs you need to make in Retirement?

Most people need to withdraw money from their investment accounts during retirement to achieve their lifestyle goals. Income and cash flow management during retirement can be challenging.

The amount of the withdrawal made along with market conditions and inflation will impact how long one's retirement funds will last. This is a crucial question that an individual must prepare for.

- **Spending vs. Saving:** Balance current and future spending to ensure long-term financial stability.
- **Risk vs. Security:** Decide between high-risk investments for potential growth or low-risk options for security.
- **Healthcare Needs:** Trade-off between short-term savings on insurance or investing in comprehensive medical coverage.
- **Lifestyle Choices:** Evaluate desires like travel or hobbies against budgetary constraints.
- **Income Sources:** Consider the trade-off of working part-time or using savings for day-to-day expenses.
- **Estate Planning:** Weigh current gifting strategies against leaving a legacy.

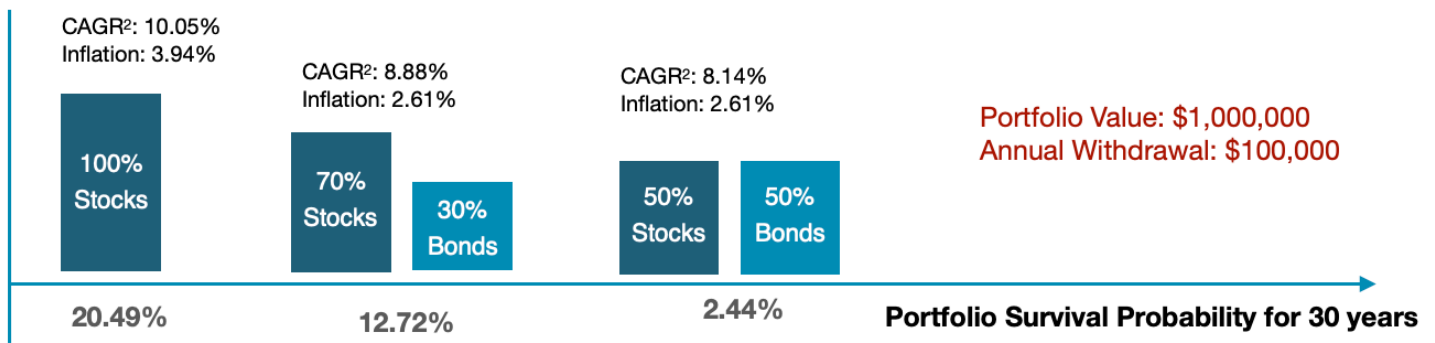
For example, you may need to reduce your withdrawal or increase your exposure to stocks which are affected by market volatility in order for your investment to last longer.

To help illustrate this point, we have created the following two scenarios of withdrawal from a \$1,000,000 retirement investment account. We used a traditional Monte Carlo simulator that uses historical data to provide a future forecast using the inflation adjustment.<sup>1</sup>

The two scenarios are based on a 30 year period, with a withdrawal of \$100,000 and \$50,000 and using three different portfolio strategies: 100% Stocks, 70% Stocks/30% Bonds and 50% Stocks/50% Bonds.

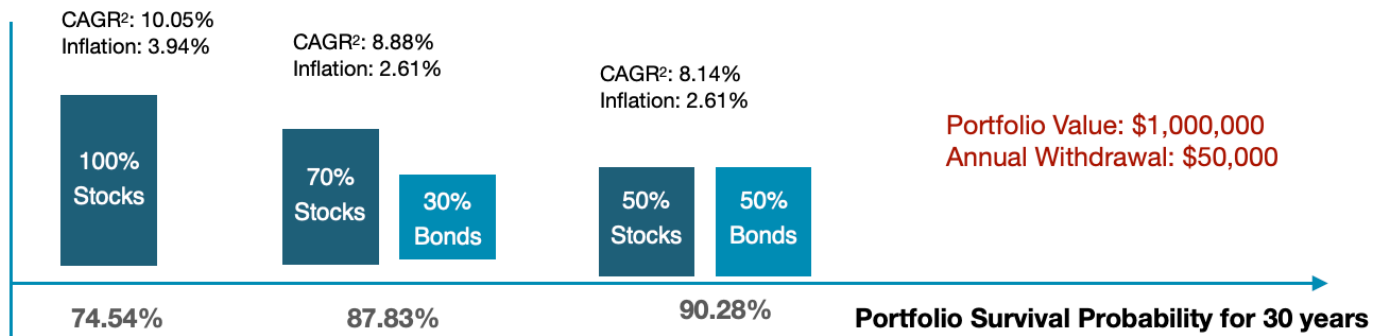
1. The Monte Carlo simulation used is based on the historical return where it uses historical data to forecast future returns. We have used fixed annual withdrawal and the simulation uses the yearly inflation adjustment. The results shown by the simulation are based on 10,000 portfolios with \$1,000,000 initial portfolio balance using available historic returns data from Jan 1987 to Dec 2018. The simulated inflation model uses historical data based on the Consumer Price Index (CPI-U) data from Jan 1987 to Dec 2018. For Stocks, the simulation uses Stock Market and for Bonds, the simulation uses Total Bond Market for portfolio distribution. These portfolios are just selected to demonstrate a simulated scenario to illustrate a point. No assurance or guarantee is given that these returns will be achieved.. Investing in security involves risks of loss. Past performance is not an indicator of future returns.

## Scenario 1: In this scenario the investor is withdrawing \$100,000 per year from the retirement portfolio of \$1,000,000 for a 30-year period



Scenario 1 shows us that the probability of your portfolio lasting 30 years is quite low at 20.49% in the best case.

## Scenario 2: In this scenario the investor is withdrawing \$50,000 per year from the retirement portfolio of \$1,000,000 for a 30-year period



Scenario 2 shows us that the probability of your portfolio lasting 30 years is quite high at 90.28% in the best case.

While Scenario 2 has a very positive outcome, consider what is the right mix of investment for you.



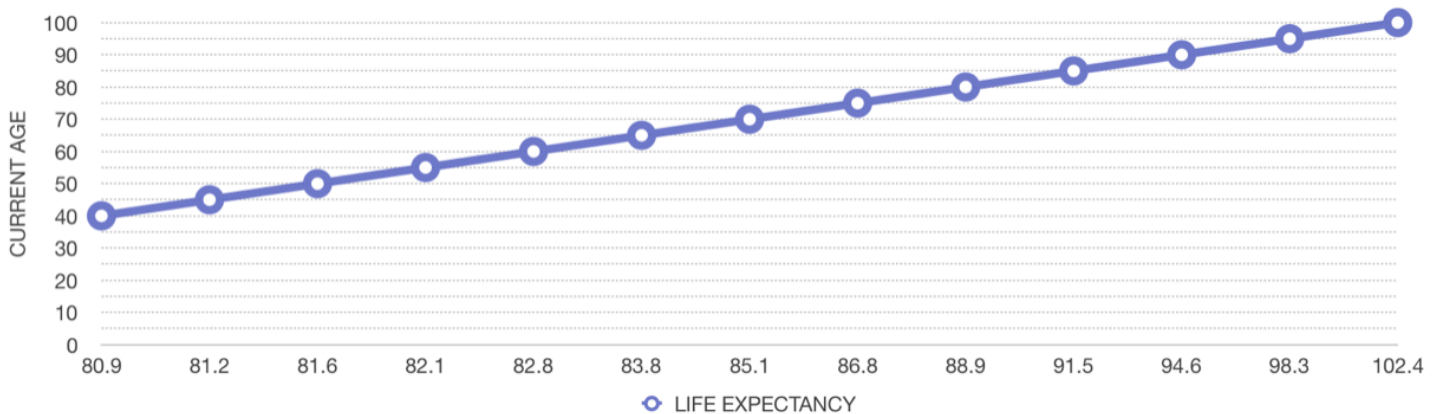
CAGR: Compound Annual Growth Rate



## 4: How long will my portfolio need to provide?

Individuals are living longer than ever before due to many advancements in the medical field. This means you must plan for a longer life and ensure that your money is going to last to provide for you and/or your partner. Life expectancy varies by gender so you must plan accordingly.

The other key factor in planning for retirement is to look at your time horizon during retirement. Your portfolio will need to provide for your retirement goals over a period that you need to plan for. The graph below shows approximation for life expectancy in Canada based on your current age 3. These are average age and most people are expected to live even longer due to advancement in healthcare.



**Longevity Risk:** The potential of outliving your savings requires diligent financial planning to avoid shortfalls.

- 1. Extended Retirement:** Plan for 20–30 years in retirement, adapting financial strategies to manage changing expenses.
- 2. Healthcare Costs:** Anticipate significant healthcare and long-term care expenses as you age, incorporating them into your plan.
- 3. Preserving Purchasing Power:** Protect your savings against inflation, ensuring they retain value over an extended retirement period.

3. *Statistic Canada: Mortality overview. Updated 2015–11–30 <https://www150.statcan.gc.ca/n1/pub/91-209-x/2013001/article/11867/tbl/tbl3-eng.htm>*

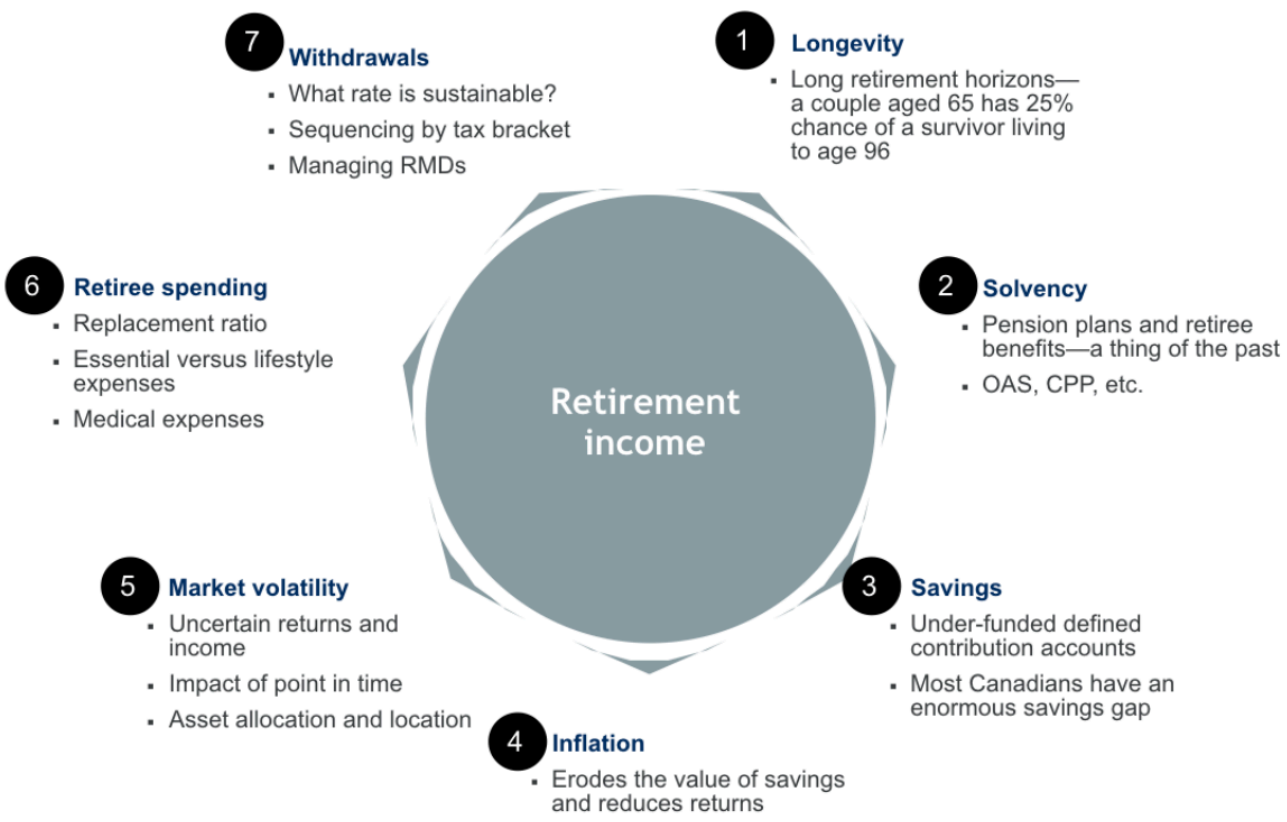


# 5: What are the risks I face during my retirement?

***"Risk comes from not knowing what you are doing." – Warren Buffett***

As you look to the future, there are a lot of unknowns, and the key to a secure and comfortable retirement is making sure that your plan is flexible enough to withstand the unexpected. You need to evaluate your personal plan for the sensitivity to changes in many of the different risks that can impact your chances of achieving your goals.

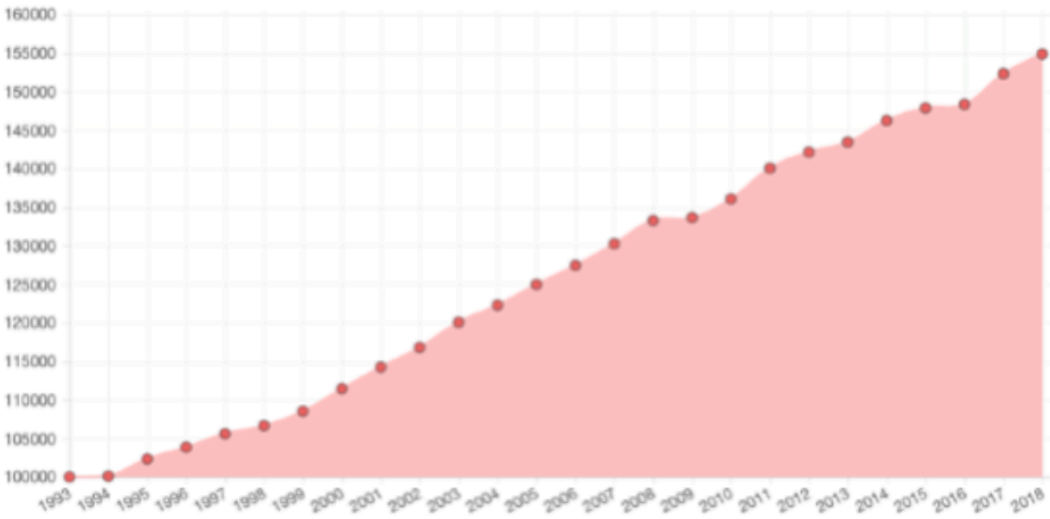
Following are the seven major risks most retirees face today.





## 6: What is the impact of inflation on your lifestyle in retirement?

If you are planning to explore some hobbies, take lessons, join a club, play golf, or learn new things then you must account for these expense. Some of the lifestyle expenses can be quite high.



Now that we looked in the expenses category you must not forget to account for inflation. Inflation decreases the purchasing power with time and most people fail to understand its full impact. Since 1993, the average inflation in Canada has been 1.77% <sup>4</sup>. To put this in perspective, a person who required \$100,000 to cover annual living expenses in 1993 requires \$154,906 in 2019 to maintain the same lifestyle. So as you can see this is an important factor to consider in your plan.

So in order to retire comfortably you must be able to support all your expenses in retirement and your portfolio needs to provide the required income factoring in inflation.

4. Statistics Canada. Table 18-10-0256-01 Consumer Price Index (CPI) statistics measures of core inflation and other related statistics – Bank of Canada definitions. Updated 2015-11-30

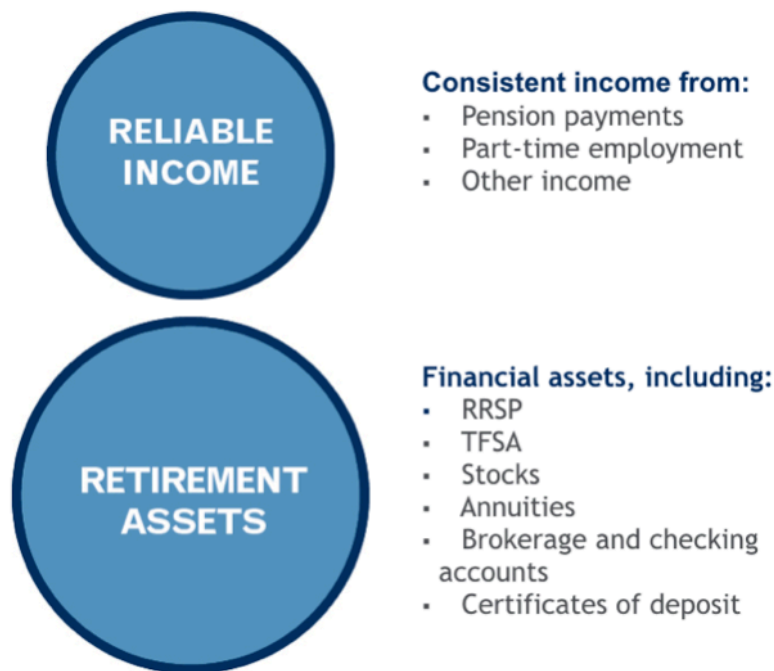
# 7: How do you manage cash flow in retirement?

Cash flow management is an important factor in implementing a retirement income strategy and monitoring progress. Most retirees face challenges in consolidating all of their income and expense activities that leads to difficulty in keeping an eye on the longevity of their retirement portfolio.

Cash flow management has two core components, income and expenses. For most retirees, the nature of income and expense changes when they transition from working to retirement.

## Retirement Income Source

Now, this session will help you get a fresh perspective which is helpful even if you are working with a financial advisor or managing your investment. There are many different solutions and speaking with multiple experts to find the right financial strategy for you is a sound idea. I always encourage my clients to also keep an open mind and find the best solution for them from anyone, not just me.



# Retirement Expenses Sources

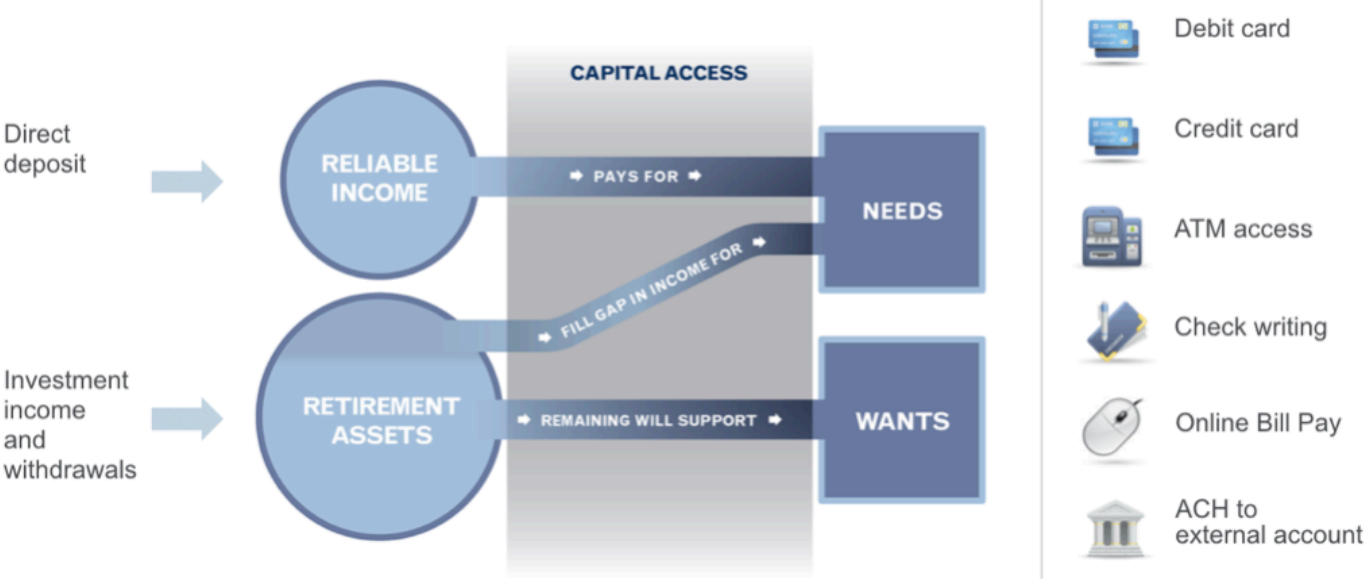
Once you quantify your sources of income, you can determine whether that income is sufficient to fund – at a minimum – those expenses you have identified as “needs.” It’s probable that you’ll need to withdraw from the assets you’ve designated for retirement to meet these needs.

If your reliable income isn’t enough to at least cover the needs you’ve identified, you should analyze how your assets are allocated and evaluate how your portfolio could be structured to generate income for your needs.

Once you’ve identified how much of your retirement assets will be required to fill your needs, you’ll determine what withdrawal rate is sustainable to support your wants.

Creating your unique spending policy will help you to understand how much of your portfolio can be spent on non-essential expenses by setting up a sustainable withdrawal rate over time.

Consolidating direct deposits and withdrawal activities through a Capital Access account improves your ability to monitor your progress against your goals and make adjustments to your strategy as necessary.



# Your Financial Scorecard

Use the below 1 page scorecard to do a quick math on your financial and retirement plan. The goal of this is to help you get a big picture view on all aspect of a good financial plan.

## Your Personal Financial Scorecard

Name: \_\_\_\_\_

Date: \_\_\_\_\_

<b>Your Profile</b> <p>Age: _____          Marital Status: _____          No. Of Kids: _____          Income source: _____          Annual Income: _____          Home ownership: _____          No. Of Cars: _____          _____          _____          _____</p>	<b>Personal Values</b> <p>Why Money is Important To You?</p> <p>Freedom: _____          Security: _____          Family: _____          Travel: _____          Status: _____          Charity: _____          Adventure: _____          Pursue Passion: _____          Legacy: _____          Health: _____</p>	<b>Goals</b> <p>Personal &amp; Financial:</p> <ol style="list-style-type: none"> <li>1. _____</li> <li>2. _____</li> <li>3. _____</li> <li>4. _____</li> <li>5. _____</li> <li>6. _____</li> <li>7. _____</li> <li>8. _____</li> <li>9. _____</li> <li>10. _____</li> </ol>	<b>Life Events</b> <p>Known &amp; Unknown</p> <ol style="list-style-type: none"> <li>1. _____</li> <li>2. _____</li> <li>3. _____</li> <li>4. _____</li> <li>5. _____</li> <li>6. _____</li> <li>7. _____</li> <li>8. _____</li> <li>9. _____</li> <li>10. _____</li> </ol>									
<b>Income &amp; Expense</b> <p>Monthly Active/Passive Income</p> <p>Income Source1: _____          Income Source2: _____          Income Source3: _____  <b>TOTAL INCOME:</b> _____          TOTAL EXPENSE: _____  <b>Savings (Income - Expense):</b> _____</p>	<b>Net Worth</b> <p>\$ Value of Assets &amp; Liabilities</p> <p>Asset1(Cash): _____          Asset2(Investments): _____          Asset3(Home): _____          Asset4(Cars): _____          Asset5(Other): _____          Asset6(Other): _____  <b>TOTAL ASSETS:</b> _____</p> <p>Liability1(Credit Card): _____          Liability2(Mortgage): _____          Liability3(Debt): _____          Liability4(Other): _____          Liability5(Other): _____  <b>TOTAL LIABILITIES:</b> _____</p> <p><b>NET WORTH (Asset-Liabilities):</b> _____</p>	<b>Investments</b> <p>Stocks: _____          Bonds: _____          Retirement Plan: _____          Education Plan: _____          Real Estate: _____          Business: _____          Other: _____  <b>TOTAL:</b> _____</p>	<b>Estate Plan</b> <p>Loved ones: _____</p> <p>Have Estate Plan ? Yes / No          Have a Will? Yes / No          Have a Trust? Yes / No          Have a Power of Attorney ? Yes / No          Have Medical Directive? Yes / No          Designated Beneficiary? Yes / No</p>									
<b>Insurance</b> <p>\$ Value of Insurance</p> <p>Insurance1(Life): _____          Insurance2(Life): _____          Insurance3(Critical Illness): _____          Insurance4(Other): _____  <b>Total Insurance:</b> _____</p>	<b>Retirement</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;"><b>TODAY</b></td> <td style="width: 33%; text-align: center;"><b>RETIREMENT</b></td> <td style="width: 33%; text-align: center;"><b>85 YEARS</b></td> </tr> <tr> <td style="text-align: center;">Age _____</td> <td style="text-align: center;">Age _____</td> <td style="text-align: center;">Income in Retirement</td> </tr> <tr> <td style="text-align: center;">Investment \$ _____</td> <td style="text-align: center;">Investment \$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> </table> <p style="text-align: right; margin-top: 10px;">→ Life Expectancy</p>			<b>TODAY</b>	<b>RETIREMENT</b>	<b>85 YEARS</b>	Age _____	Age _____	Income in Retirement	Investment \$ _____	Investment \$ _____	\$ _____
<b>TODAY</b>	<b>RETIREMENT</b>	<b>85 YEARS</b>										
Age _____	Age _____	Income in Retirement										
Investment \$ _____	Investment \$ _____	\$ _____										

# YOUR RETIREMENT CHECKLIST

AS YOU READ EACH QUESTION, SIMPLY TICK "YES" IF YOU AGREE OR "NO" IF YOU DISAGREE WITH THE STATEMENT. "UNSURE" IF YOU ARE NOT SURE

---

- 01 Have you accurately assessed your retirement savings needs to maintain your desired lifestyle? YES NO UNSURE
- 
- 02 Are you diversified enough to protect your portfolio against market volatility? YES NO UNSURE
- 
- 03 Does your financial advisor regularly update your plan to reflect changes in your life and the economy? YES NO UNSURE
- 
- 04 Are you confident that your retirement portfolio will last throughout your retirement and sustain your desired lifestyle? YES NO UNSURE
- 
- 05 Do you understand all fees associated with your investment accounts and their impact on your retirement? YES NO UNSURE
- 
- 06 Have you adequately planned for unexpected healthcare expenses as you age? YES NO UNSURE
- 
- 07 Are you utilizing all available tax benefits and strategies effectively? YES NO UNSURE
- 
- 08 Do you need a plan for income if you choose to work part-time or start a business in retirement? YES NO UNSURE
- 
- 09 Have you considered the potential impact of inflation on your purchasing power? YES NO UNSURE
- 
- 10 Are you confident in the estate plan you have in place to protect loved ones? YES NO UNSURE
-

# Are You Well Prepared For Your Retirement?

## How To Get Your FREE “no-obligation” Consultation?

I hope you found this guide helpful and as you can see if you are well prepared for your retirement and any potential gaps you may have. The only way to find out is to book your complimentary and “no-obligation” strategy session.

[Click here to book your session to discuss this.](#)

## Don't miss this opportunity.

Now, this session will help you get a fresh perspective which is helpful even if you are working with a financial advisor or managing your retirement. There are many different solutions and speaking with multiple experts to find the right financial strategy for you is a sound idea. I always encourage my clients to also keep an open mind and find the best solution for them from anyone, not just me.

## Here's what I will deliver to you after our session.

I have built a very proven 3 step process to help individuals gain financial clarity. Here's what it looks like.

### Step 1 – Your Financial Scorecard

See below a snapshot of the scorecard, we will get into more details and I have access to advanced software and other tools to help you get a good view of your financial goals and current situation.

### Step 2- Accelerate Your Goals

I will find different options to help you accelerate your goals. For e.g. Retire early by 5 years, Reduce % of taxes in retirement, Increase your net worth by x%, and Increase your overall Estate by y%. This is the most value people get from my consultation.

### Step 3 – Your Retirement Scorecard Report

This is where I will be able to give you a your personalized “Retirement Scorecard” so you can compare that with your current plan. Either way, I will be transparent and give you the right next steps to consider.



# Your 1 on 1 Strategy Session

RORY BURKE



**RORY BURKE CFA**  
Associate Portfolio Manager

## ABOUT

I help people achieve financial freedom with investment solutions that are tailored to their specific situations and needs.

Congratulations !!! You Made It...I am sure you feel more knowledgeable and empowered.

Now if you feel a little overwhelmed and uncertain, then I have something that will really help you.

To help you get answers to all your questions and see if and how well prepared are you for your retirement, I would like to offer you a Complimentary Consultation and assessment of your financial plan and answer any questions.

[Click this link to book your session](#) OR contact me at my office below.

In this session, we will review your personal goals, and current financial situation, answer your questions, and give you some insights on potential areas of concern. I take this session very seriously and will focus my full attention on helping you with your plan.

Note: I promise this session will be of immense insight and value even if you are working with another Financial Advisor today.

I look forward to our discussion.

Thanks  
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