

# Vested INTEREST

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PERLER FINANCIAL  
GROUP INC.



WORLD SOURCE  
FINANCIAL MANAGEMENT INC.  
MUTUAL FUND DEALER

## In This Issue:

- Planning for Income to Last a Lifetime
- Your Financial Plan
- 5 Tips to Save on your Life Insurance premium

## MAIN FOCUS THIS QUARTER:

# Planning for Income to Last a Lifetime

*Source: Fidelity Investments*

If you are nearing retirement or already there, you face a critical challenge. You have to rely on your pensions and savings to provide income. But you can't know for sure how long you will need those assets to last. If they are not wisely invested or you spend too freely, you may outlive your savings.

Know the five key risks

There are five key risks to your retirement income. Knowing how to manage them will help you achieve financial security for the rest of your life.

### 1. Longevity

In Canada, both men and women are living longer than ever before. Yet many people underestimate how long retirement could last.

What you can do:

- When setting up your retirement income plan, allow for the fact that your savings must last for 20, 30 or even 40 years.

### 2. Inflation

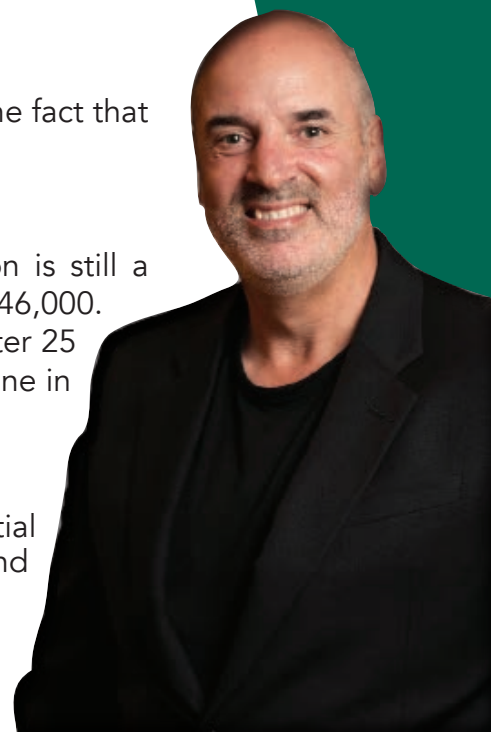
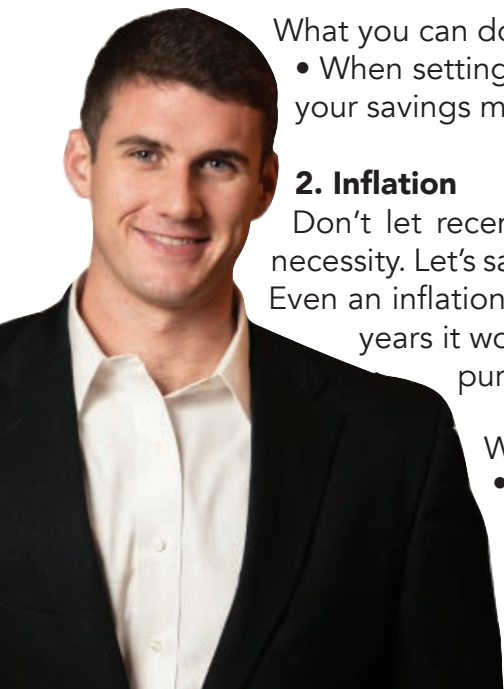
Don't let recent low rates fool you – planning for inflation is still a necessity. Let's say you start with retirement income of about \$46,000. Even an inflation rate of 2% will steadily nibble away at it. After 25 years it would be worth approximately \$28,000, a decline in purchasing power of 39%.

What you can do:

- Include investments with the potential to outpace inflation in your portfolio and investment plan.

If you are interested in receiving our monthly eNewsletter, please contact Josephine by phoning 604-468-0888 or emailing [jchai@perlerfinancial.com](mailto:jchai@perlerfinancial.com)

Compliments of  
Harry Perler &  
David Olejnik



### **3. Choosing the wrong asset mix**

Many retirees rely on a “safe” portfolio that’s heavy with fixed-income investments such as bonds and GICs.

But these may not grow enough to keep up with inflation and maintain your income level over the long term.

What you can do:

- Build a moderate portfolio that balances equities for growth potential with bonds, GICs and money market investments for steady income.

### **4. Excess withdrawal**

During your retirement, there are several variables that can affect how much you can withdraw from your portfolio each year, while ensuring it will last as long as you need it. These include your risk tolerance, retirement horizon, pension income, economic climate, health, and employment if you choose to work in retirement. In addition, these variables can change over time. To better adapt to these possible changes, your withdrawal rates should be reviewed annually with your financial advisor to ensure you’re minimizing the risk of using too much of your savings too early.

What you can do:

- Annually review your portfolio performance and the market trends with your financial advisor to adjust your withdrawal rates accordingly.
- Manage your withdrawal rates carefully in your early retirement years. If your portfolio does well, you can withdraw more later on, when there is less risk that you will run out of money.

### **5. Health care expenses**

While Canada’s health system provides good basic care, it does not include many items or services you may need or want in your older years. The government covers many key items only partially or not at all, including long-term care, nursing care at home, private or semi-private hospital rooms, or home renovations to deal with a disability

What you can do:

- Include the possibility of future health care expenses in your retirement plan.
- Put away extra savings and/or buy insurance to give yourself more choice in the future, as well as peace of mind.

## **PERLER FINANCIAL GROUP - 2017 SPRING SEMINAR**

**Topics: Canada Pensions & Real Estate Market**

**Please Join us!**

**Date: Thursday MAY 4TH**

**6:30pm - Hors d’oeuvres**

**7:00pm - Seminar start time**

**Port Moody Library at the Inlet Theatre  
100 Newport Dr, Port Moody**

**RSVP right away to: [admin@perlerfinancial](mailto:admin@perlerfinancial) or 604-468-0888**



## YOUR FINANCIAL PLAN

Whether you are planning to buy a home, save for your children's education, progress into retirement, or simply organize your finances, a holistic plan will set you in the right direction. Harry and David know how holistic advice better prepares you to make everyday decisions ensuring your long-term financial objectives are efficiently reached.

A holistic plan is a continuous lifelong procedure, requiring your active participation throughout each step of the financial planning process. To maintain a thorough understanding of your financial and personal circumstance, Harry and David are constantly monitoring and updating your plan, keeping you on track as you move through life's milestones. They require your input on changing goals, managing risk, securing retirement, supporting

charitable cause, transferring assets between generations, and ultimately achieving sustainable financial independence. By taking a big picture view of your finances, and regularly engaging with you, Harry and David's recommendations will continuously move you towards your goals while constantly reflecting your personal values. A holistic approach truly allows both Harry and David to fulfil their passion of taking care of you and your finances in each stage of your life by ensuring you can achieve all your goals in the most tax and cost efficient way possible.

Have you had your financial plan recently reviewed? If not, be sure to contact Harry or David to make arrangements to do so, to ensure you are on track for your personal goals.

## 5 TIPS ON HOW YOU CAN SAVE ON YOUR LIFE INSURANCE PREMIUM

Life Insurance is instrumental when it comes to protecting your loved ones in the event of death. Life insurance is also a way to relieve some of the anxiety that family members may feel as they wonder how they will get by should a breadwinner in the family pass on.

Here are some helpful tips on things you should do to ensure you are able to get the best possible premium for the coverage you want.

1- Quit smoking – Smokers can pay up to double on their life insurance policies compared to non-smokers. If you need life insurance it really is the time to quit. Many policies define a non-smoker as someone who hasn't smoked for 12 consecutive months and that includes nicotine replacements and e-cigarettes.

2- Apply at a young age – The younger you are the better your premium will be. Life Insurance companies care about managing risk, so the younger you are the better your rate will be. The older you get, the higher your premium will be. This means you can save money by arranging coverage in your 20s or 30s, rather than in your 40s and 50s.

### Tax Deadline!

April 30th 2017: Tax payment deadline for your balance owing for 2016 personal income tax. Payments are made to the CRA. This deadline is for all personal income tax filers including those who are self-employed.

### Perler Wealth App

Be sure to download our new app to be kept up to date with news of precedence and informative articles. You can download the app from

[www.PerlerWealth.com](http://www.PerlerWealth.com)

3- Live a healthy lifestyle – Insurance companies will take note of your lifestyle and weight. The medical exam is a major component in the process that defines how much insurance will cost you. The healthier you are, the better rate you will have.

4- Don't buy more than you need – Evaluate what impact your death would have on your family (or business) financially. Some individuals will look to insure themselves on large amounts of money in order to keep their family well off, while others might just look to cover their funeral costs and final expenses. Deciding what your goals are for acquiring life insurance will help you evaluate how much is needed. There are several insurance calculators available online that can assist you in this process.

5- Get help from a licensed insurance advisor – Insurance advisors have a wealth of knowledge on the products available as well as how to find the right insurance plan for you. A licensed insurance advisor can also help you figure out your needs, goals and can help you obtain suitable coverage for your unique circumstance. In addition, advisors have the ability to shop the market on your behalf and find the best price for your coverage, which can help you save money as well.

To learn more or obtain a quote, please feel free to contact Harry Perler.

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