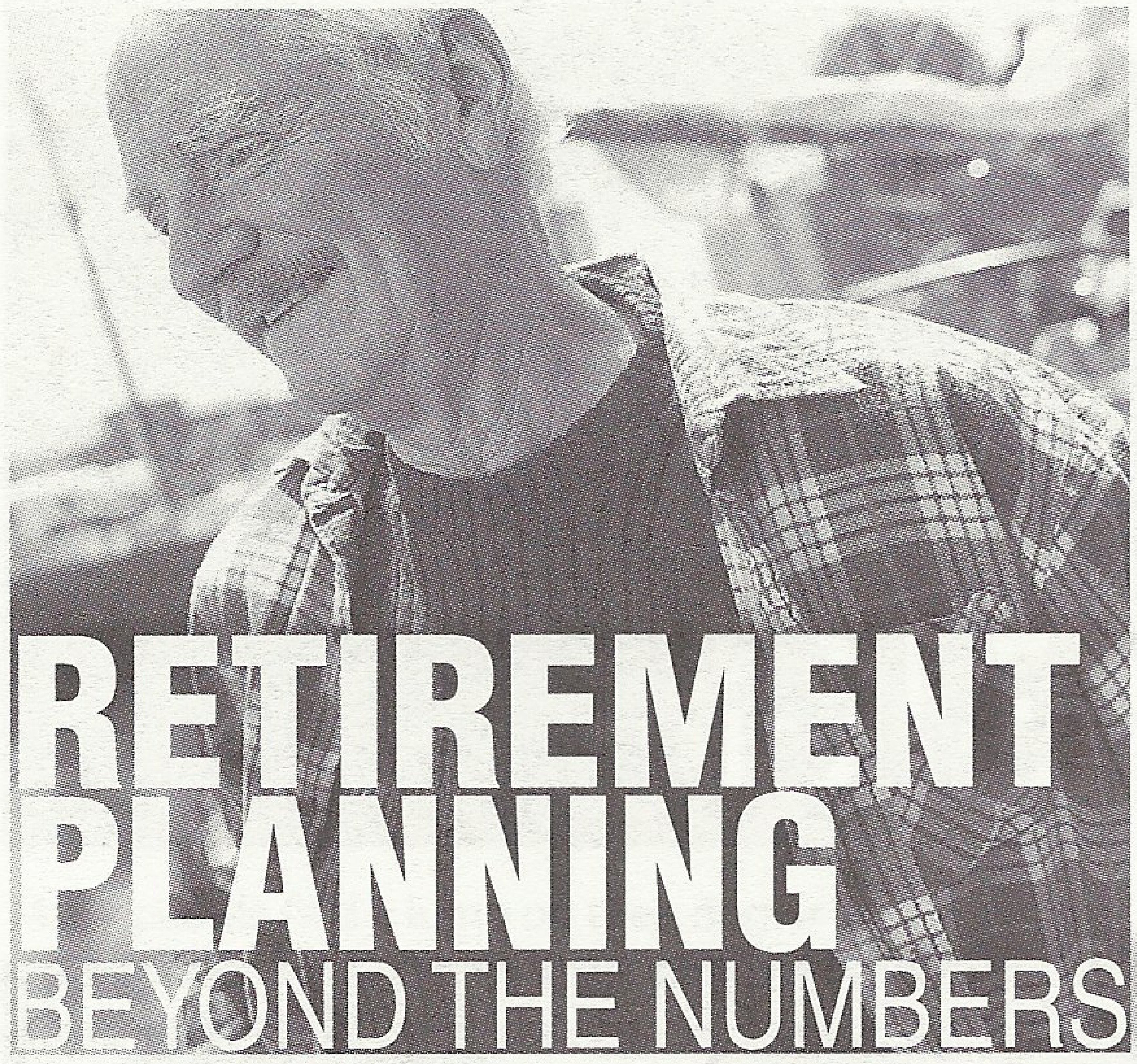

RETIREMENT PLANNING
BEYOND THE NUMBERS

by Mike Martin, CFA, MBA

Living with purpose during retirement takes more than financial security. Your retirement will be about more than just money, golfing and walking on the beach – your family, community, health and relationship with work will all play a part. And as we see here, financial planning may ensure your financial security in retirement – but living with purpose takes a different kind of planning.

Getting – or getting more – connected to your community

There is a direct link between a person's social capital – that is, their level of civic participation and sense of cooperation in the community – and their perceptions of health, according to a 2008 Statistics Canada study. Those who felt more connected to their communities had increased self-esteem and a brighter outlook, positively impacting their physical health, and/or were taking up healthy habits like exercise and smoking less. The highest social capital rates were found among those over age 65 – 72% of whom felt a strong sense of community.

If increasing your community involvement is important to you, and you don't know where to begin, first consider an organization or organizations you'd like to support and arrange to meet with the volunteer coordinator, who can help you find an appropriate position for the amount of time you'd like to commit and the skills and experience you bring to the organization.

Staying fit

Without the demands of full-time work – or the "too busy to exercise" excuse – many retirees find new time to commit to health-related goals. It's important to stay active in your golden years, not only for the short - and long-term physical benefits that exercise provides, but for the social and mental benefits as well.

Older adults should exercise 30-60 minutes a day, according to the Public Health Agency of Canada. That doesn't have to mean intensive cardio-busting workouts, but almost anything physical: stretching when you wake up in the morning and before bed, taking the stairs instead of the elevator or walking to the store instead of taking the car. Talk to your doctor in advance of starting any new physical activity regime.

Work/Life balance

Many people who approach retirement find that their work is their life – or they have worked for years to hone their skills and expertise, and are reluctant to stop entirely. If this sounds like you, take transition steps before abruptly stopping work. Begin to transfer responsibilities several months or even years in advance, or move toward part-time or consulting roles.

Many people genuinely enjoy their careers, and are reluctant to give up such a fulfilling part of life. If this might be you, part-time and consulting work is an option that can take you further into retirement. Or perhaps this is an opportunity to pursue another type of work entirely, without the same pressure to succeed.

Living with purpose

It's difficult to plan how many years you will be enjoying your retirement, but many studies are showing that Canadians are living longer than before, and affluent Canadians longer than average.

So carpe diem. Your retirement is yours, and you have worked a lifetime to earn it. Well in advance of your retirement date, discuss with your spouse and family the changes in store and what kind of retirement you envision, so you can proceed into this new stage of life with promise – and purpose.

Michael Martin is an Investment Advisor with RBC Dominion Securities Inc. Member–Canadian Investor Protection Fund. This article is for information purposes only. Please consult with a professional advisor before taking any action based on information in this article.