

What's a will kit, and are they legal?

A will kit supplies you with what you need to write your own will and testament. Purchased at a bookstore or online, a will kit typically includes an instruction manual and a will form. It is intended to walk you through the process of writing your own will without having to hire a lawyer. And, yes, the final product is a legally binding document.

Primary Beneficiary

Your Primary Beneficiary listed on your annual statement is the person you designate to receive your Church Plan death benefits payable in the event of your death. Usually your beneficiary is your spouse, but in the case you do not have a spouse, your beneficiary can be any person of your choosing.

Get Retirement Smart!

The more you know, the smarter you are, and this is especially true of retirement planning. That's why we're pleased to announce that your 2012 Annual Pension Statement is ready. Aimed at keeping you in the know about your Church Plan benefits, it's just one of the many resources the Church shares with you to help keep you informed.

And to do just that, this edition of *Planning for Retirement* includes details about your annual statement, *Retirement Planner* and some tips about retirement planning in general.

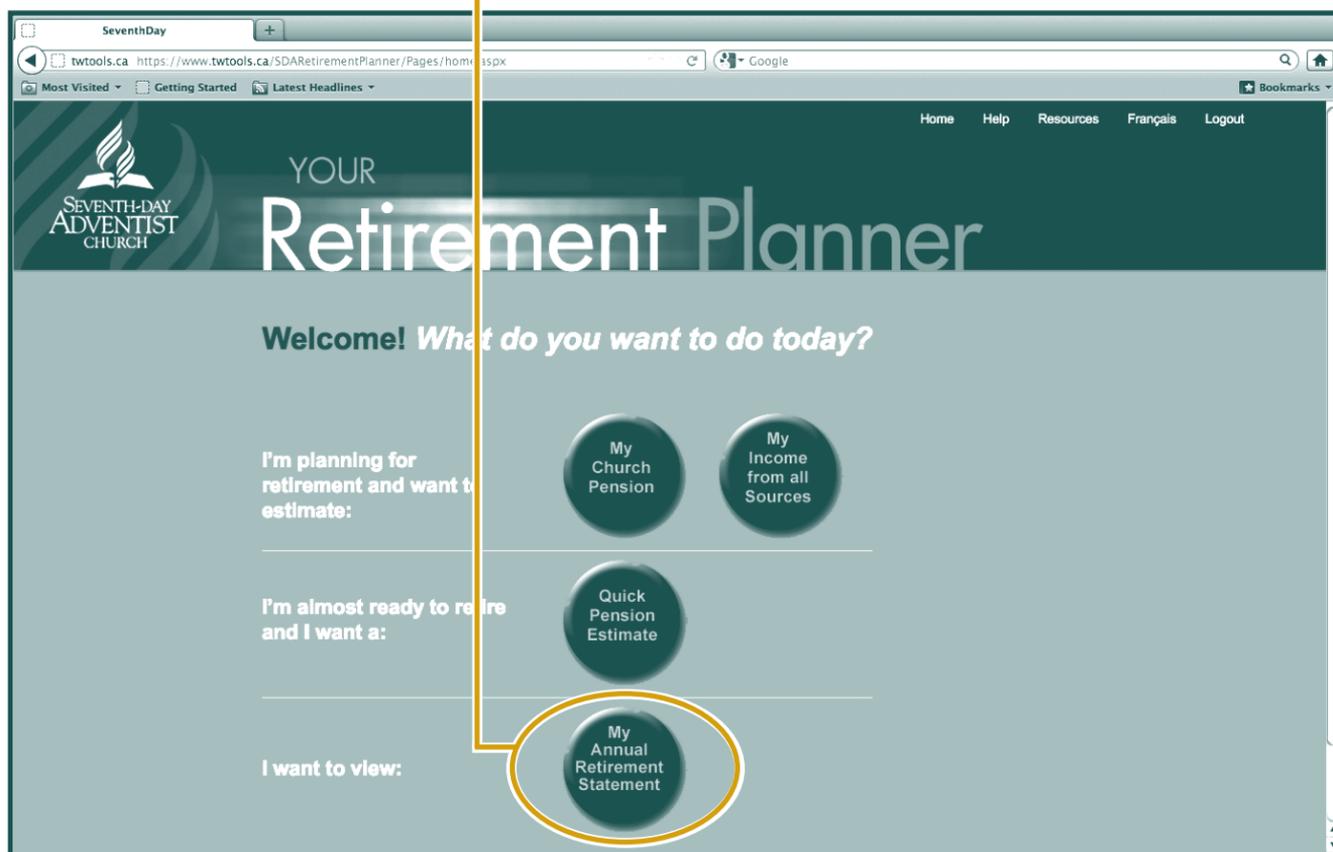
Your annual pension statement is ready!

Your annual pension statement is designed to help you better understand the pension benefits you earn as a member of the Church, including your:

- **Registered monthly pension:** a portion of your retirement benefits paid to you at your normal retirement date through guaranteed monthly payments.
- **Supplemental pension:** a non-registered pension benefit in addition to your registered monthly pension payments, if applicable.
- **Retirement Allowance:** a one-time, lump-sum amount in addition to your monthly pension benefit.
- **Health Allowance:** an annual amount for you and your spouse to use towards health and dental costs.

Ready to check it out? Go ahead, it's easier than you think!

To view your statement, visit the *Retirement Planner* at <https://www.twtools.ca/SDARetirementPlanner>. You'll see the link right on the welcome page!



While you're there...

You may as well check out the *Retirement Planner*! While your statement details your current earned pension, it doesn't include your personal savings or estimate at what age you might be able to retire.

The *Retirement Planner* allows you to estimate how much income you are accumulating with your Church pension plan, in addition to personal savings and government benefits at various ages. This means you can see your whole retirement picture and determine if your retirement savings plan will equal your financial objectives at your chosen retirement age. If not, you can make changes to your plan today to meet your goals tomorrow!

Missed a season of saving?

We often put saving off until later (when we're older and smarter). Your best bet is to save as much as you can to make up for lost time. And speak with a trusted financial advisor to learn how to get the most out of the years you have left to save!

TFSA

We first shared details about the Tax-Free Savings Account in our April 2009 edition of *Planning for Retirement* (available in the Resources section of the *Retirement Planner* at <https://www.twtools.ca/SDARetirementPlanner>). If you jumped at the chance to benefit from the new investment tool, how much have you saved in your TFSA since then? If you didn't take advantage, get started now!

Whom to Call

If you need general retirement information, please contact the Retirement Department at 905-433-0011 or write to retirement@adventist.ca.

Next Issue

Be sure to let us know if there's a topic you'd like us to cover and we'll try our best to include your suggestions in future issues.

What season are you in?

Many people consider their retirement planning in two stages: saving and spending. While both of those stages occur, we think planning for retirement can be broken down into four stages, or seasons, if you will: **Spring**, **Summer**, **Fall** and **Winter**.



Spring — In this stage, you are likely just starting to save money. The amount you put aside each month is not as important as getting into the habit of saving.

Key tip: If you start early, compound interest (think of it as earning interest on top of interest) will go a long way towards building your future retirement income.



Summer — You can start to see the benefit of your efforts (i.e. a bigger balance!). This is the ideal time to put away a little more each month to help build momentum. You may want to diversify your strategy with both lower and higher-risk investments, depending on your relative financial comfort level. Speak with a trusted financial advisor before making any investment decisions; a little bit of 'Summer study' could go a long way.

Key tip: Keep up the good work! Save as much as you can early on to continue benefiting from compound interest.



Fall — You'll want to make sure you maintain your hard-earned balance while pursuing safe growth (i.e., by increasing the amount or frequency of your contributions rather than pursuing potentially risky investments). Now is the time to keep a close eye on your savings plan to ensure you stay on track.

Key tip: As you get closer to your target goal, you might want to revisit the balance between lower-risk and higher-risk investments in your portfolio.



Winter — You are getting pretty close to retirement. You may want to consider shifting to mostly lower-risk investments to ensure you maintain your savings. This is also a great time to learn about what government benefits you can expect on top of your Church pension benefits.

Key tip: Speaking with a trusted financial advisor, no matter what stage of planning you're in, will help ensure you meet your future financial goals

Financially smart in three simple steps...

The world of finance can seem like a complicated environment. But your personal finances don't have to be. Here are three timeless and straightforward tips on how to be financially smart, and save a few bucks along the way!

Debt. Get rid of it. Debt is a fact of life and, at times, can feel like an overwhelming task to pay down. The best advice is to start today, if you haven't already. Every dollar of debt you pay today is a dollar less you owe tomorrow. Keep it simple by making automatic payments through your bank. You'll automatically whittle down your debt one payment at a time.

Retirement. Save for it. How many times have you heard this? But have you heeded the advice? Your Church pension and government benefits are a solid foundation, but your personal savings can make the difference between retiring when you want to versus retiring when you can. And like paying down your debt, you can make retirement savings an automatic process. Your bank can automatically transfer any amount from your bank account to an RRSP or TFSA. All you have to do is sit back and watch your retirement savings grow!

Unexpected. Plan for it. As the saying goes, life is what happens when you are busy making other plans. Preparing for the unexpected can include a rainy day fund or insurance policy to ensure that you are protected and do not have to dip into your retirement savings to pay for unforeseen costs.

Tell Us What You Think!

If you have any questions, comments or suggestions about this newsletter, please don't hesitate to contact the Retirement Department:

- Marilyn Pazitka, Director, Retirement Plan for Canadian Employees at 905-433-0011, ext. 2071 or pazitka.marilyn@adventist.ca
- Charisma Hodgins, Administrative Assistant at 905-433-0011, ext. 2070 or hodgins.charisma@adventist.ca

We appreciate your feedback!