

Your Financial Wellness

A follow up to the
Financial Wellness 101 presentation



Provider of your Voluntary Benefits Program

Thanks for coming out to attend the Financial Wellness 101 session!

We know that there was a lot of content presented, so we wanted to do a quick follow up with some key things that we were hoping people would take away!

Please feel free to use this info and share it with your colleagues!

Here are a few KEY STRATEGIES that we covered in the session

1 Take action now! It's all well and good to come out to get educated, but the key piece is to take action.

For immediate savings – that can also be your emergency plan – get your Group TFSA (Tax-Free Savings Account) started. You can fill out the form here and send it back to rrsp@capitalplanning.ca to get it set up.

For longer-term savings – as well as the Home Buyer's Plan and Lifelong Learning Plan – sign up for your Group RRSP. The form is here.

Statistic: 100% of the people who fail to save for the future don't have savings for the future.

2 Pay Yourself First

Get your Group RRSP contribution done through your payroll department. When you do that, you get your tax savings back right away. And you're "paying yourself" with pre-tax income.

For your Group TFSA, sign up for Online Contributions through your bank account. It's as easy as a recurring bill payment. The instructions are here. (Keep in mind, you'll need to sign up first to do this.)

Also, constantly "drip" money in – rather than trying to predict the markets – to take advantage of Dollar Cost Averaging.

Save money by Payroll Deduction (PRD)

Your Monthly Contribution	Your Actual Cost*	
	* Estimated cost of monthly contribution.	
\$100	\$69.50	\$64
\$200	\$139	\$128

Tax bracket = 25% Tax bracket = 30.5%
Yearly taxable income = first \$46,605 Yearly taxable income = \$46,605 - \$93,208

Capital Estate Planning

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- 3 Contribution limits:**
RRSP: 18% of earned income minus pension adjustment. Will generally leave about \$3,500 in contribution room for every year that you've been working.
*RRSP Contribution Limit is on your Notice of Assessment
TFSA: \$6,000 this year, and \$69,500 if you've been eligible (over 18) since 2009 and never contributed
- 4 Diversify:**
a. By Asset Class
b. By Management Style
c. By Geography
But do all of this with a "Multi-Manager Group RRSP / TFSA". Your goal is to be very diverse but have everything on one statement. (Hint: the Group RRSP / TFSA is one of these!)
- 5 Little changes => Big Difference - Find small ways to make changes.**
a. Home brew coffee (and save the difference)
b. Add 1% to your savings and see big returns as it grows
- 6 Building your Emergency Fund - We don't know what's going to happen with our health, our life, even our contracts.**
a. Best practice: 3-6 months' expenses or 3 to 6 months' salary
b. Use your TFSA in order to earn compound interest
c. Put at least part into a more conservative investment if it's likely you may use it sooner
- 7 Where is Everything?**
a. Use this sheet to get a list of your assets and connections all in one place. Put it someplace safe – like with your will – so your executors know where to find it.
b. If you think it's likely that you'll be an executor for someone else (your own parents, for example), give a copy to them to complete. A digital copy can be found here.
- 8 www.capitalplanning.ca - There is a ton of information on our site, including information on your Voluntary Benefits, Resources you can use for planning, and all of the Forms you need to sign up for your programs.**

Thanks again for coming out to the presentation, and we look forward to helping you with any questions you may have! You can reach us at strategies@capitalplanning.ca; through our website contact link or by calling 780-463-6128.

All the best,

Rick Harcourt and the team at Capital Planning!

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