

# The Complete Communicator

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Verico Complete Mortgage Services

## The Financial Implications of Living Longer

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It's a fact that Canadians are living longer today than ever before and while this is great because we'll have more time to spend with loved ones—it's a bit alarming from a finance and savings perspective.

Data suggests that retirement years have stretched from 13 to 20 years—or a 54% increase. This means that a proportionate increase in savings is required to ensure your savings can fund the retirement lifestyle you had in mind.

How can we fund this longer retirement? "The easy answer is either through an increase in contributions, or higher returns on your investments," says Bob Gorman, Chief Portfolio Strategist for TD Waterhouse.

"However, in reality that can be difficult: people have a natural tendency as they age to make lower-risk investments, which can reduce the chances of higher returns."

Getting an early start on retirement savings and making regular contributions is probably the best way to ensure you have savings in place when it's time to stop working. Bob Gorman offers tips to get started—or to help maximize your current retirement investments:

### **Make sure you have a plan.**

Know what your goals are and determine what financial steps are needed to get there. An experienced financial advisor can help you build a custom plan suited for your personal situation, as well as help you manage it.

### **Contribute regularly.**

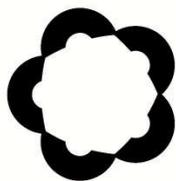
Monthly contributions can help you reach your total annual contribution goal. Investigate taking advantage of payroll deductions for an RSP if offered by your employer.

### **If short of funds, consider a loan for your RSP contributions.**

The tax deferred compound growth on your investments could potentially outweigh the interest costs.

### **Evaluate your investment portfolio regularly.**

Analyze your asset allocation and assess if it's appropriate for your required return, time horizon and risk tolerance, as well as if you're on track to meet your goals.



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THIS NEWSLETTER IS COMPLIMENTS  
OF TERRY MOORE

Phone: 250.215.2862  
Fax: 250.861.2906  
Email: [mortgages@terrymoore.ca](mailto:mortgages@terrymoore.ca)  
Web: [www.terrymoore.ca](http://www.terrymoore.ca)



## Keep your Haunted Home Safe for Halloween

Eerie sounds, spooky lights and jack-o'-lanterns aglow—extra efforts at Halloween will keep visitors coming back for both tricks and treats. However, to keep the fun going, it's important to plan your home's scary set-up with safety in mind.

Decorations for special events, most often involving candles, such as those found in jack-o'-lanterns, account for an average of 800 home fires in North America, causing nearly \$4 million in direct property damage every year.

To keep your house from being haunted with potential insurance woes, here are some Halloween preparation tips for preventing fires and other insurance claims.

**Practice fire safety:** When setting up spooky electrical decorations and lighting, ensure that electrical outlets are not overloaded. Consider battery or solar powered jack-o'-lanterns.

**Make sure your walkways are safe:** Although darkness may set the Halloween mood, keep walkways well lit and obstruction free to reduce the risk of injury and allow many guests to walk through simultaneously.

**Check your insurance coverage:** While homeowner policies generally will cover you and your property on Halloween, it is a good idea to contact your insurance broker to ensure you have the right amount of coverage—especially with hundreds of visitors to your home.

Source: [www.newscanada.com](http://www.newscanada.com)



## The Funny Bones Kids will love to eat!

Bleached white bones never tasted so delicious. This recipe originally appeared in *Ghoulish Goodies*, by Sharon Bowers.

### Ingredients

- half package (7 ounces) white melt able candy wafers
- 36 pretzel sticks in thin rods of various lengths
- 72 mini marshmallows (about 1 cup)

### Instructions

1. Follow the instructions on the candy wafers package to melt the candy in a wide bowl. For each bone, press marshmallows onto both ends of a pretzel stick or rod, with the marshmallows' flat sides parallel to the pretzel.
2. Dip each pretzel into the melted candy to coat it. Lift it out with a fork, letting the excess drip back into the bowl. Place the bone onto a sheet of waxed paper to set at room temperature.





## Withstand Financial Storms with Emergency Savings

NC)—According to the wealth management experts at Desjardins Group, being financial prepared for an emergency is essential. As we've seen with the recent financial volatility, carrying too much debt and too little savings can be dangerous. This is especially true if you needed immediate cash due to an illness, accident or a job loss. Building financial stability takes discipline and hard work but pays off when the unexpected occurs.



### Simple scenarios where an emergency fund would have been handy:

- You had money set aside to replace your aging car, but your roof has started to leak. The choice is clear: use credit to replace the roof and buy the new car with cash. But now you're in debt. An emergency fund would have given you the flexibility to be able to afford both the roof and the car without incurring debt.
- If you lost your job or got sick, you'd need cash to pay for everyday expenses (groceries, rent, etc.) An emergency fund would give you something to fall back on and peace-of-mind while you look for a new job, or take the time to recover.

### Can't I use my credit card, line of credit or RRSP in an emergency?

Lines of credit and credit cards are for temporary expenses that you'll be able to pay off within a month or so. They're not ideal for sustained periods, like being out of work for six months. Some credit cards charge 19.5% interest on cash advances, meaning that you'll have to repay the amount you borrowed plus an additional 20%. RRSPs should not be touched until you retire, unless you plan on using some of these savings for a house down payment. Any withdrawals you make will be considered income on your next tax return, which may result in a year-end tax bill.

### How do I get started?

Financial experts suggest that a solid emergency fund is the equivalent of three months worth of living expenses. For example, start by saving the equivalent of one month's worth of groceries and then work on the other monthly expense categories one month at a time. With each paycheque, try to put aside the equivalent of 1 to 10 per cent of your income. Don't forget to put it into a separate account, like a TFSA, so you're not tempted to dip into it. Keep in mind that it's more important that you're starting a savings habit than the total amount that you're saving each month. And remember: don't go into your emergency fund unless it's an emergency. A couch on sale that you simply can't live without isn't an emergency.

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