

Picture the retirement life you want, then build your personalized plan.

What does retirement look like for you? Maybe it means traveling the world. Are you going first class or coach? Perhaps you'll finally take up golf or maybe you'll start a new part-time career.

Getting your ideas for retirement onto paper is an important step in your planning for the last 30 years of your life. Money is only part of the plan the other part is about personal dreams: when you want to retire and what you want to do.

Below is a list of seven questions that you may want to have written answers for:

1. How soon do you expect to retire, and how many years should you be planning for? If you retire early, your retirement savings will need to last longer.
2. Will you be staying in your current home, or will you be downsizing or moving to Victoria? Calculate what your home costs will be in the coming years.
3. What outstanding debts will you have at retirement?
4. Do you plan to work part-time, or earn any occasional income? Does your favourite hobby have any financial rewards?
5. What are the top three activities you envision for your retirement and what will it cost to pursue them?
6. If you are married, do you have a financial plan in place that addresses the potential financial impact of the death of either of you?
7. How important is it to you to pass on some money or assets to the next generation through an inheritance? Consider how much you hope to leave your beneficiaries.

Your retirement income needs will depend on many of these factors. When you are answering these questions remember that you may be looking forward to 30 or more years of retirement. It is helpful if you break that time into 10 years blocks so you can determine the different activities and financial demands of those different phases of retirement. Typically, you'll want to spend more money in the early years of retirement, when you're active and healthy, but the costs for care can accelerate in the later years of retirement.

Lets look quickly at the big area of concern that is Health care expenses.

While Canada's Health care system provides good basic coverage, some of the items or services you may need or want in the future may not be included.

For example, close to half of retirees now turning age 65 will be admitted to long term care, and about one in ten will stay five years or more. Since the government only pays a portion of these costs, this can be a major expense. Other health care expenses that are covered only partially or not at all include nursing care at home, private or semi-private hospital rooms, or home renovations to deal with disability.

What can you do: While health care costs are hard to determine, they should be included in your retirement planning. Extra savings and/or insurance may give you more choice in the future as well as piece of mind.

As you know life is always changing and so should your investment plan.

As you get closer to retirement you will make decisions that will have an impact on the rest of your life. It is best to take your time and make sure that you have as many of the facts as possible in order to make good, sound decisions. Ones that will support the lifestyle you always envisioned.

I wish each of you a happy career, and a healthy, happy loving relationship with money.

Spend some time daydreaming this month, then set up a time to speak with your financial advisor about your retirement income options.