

Financial Literacy for Seniors



Pre and Post Retirement Planning

Alberta Council on Aging
A Senior Friendly™ Publication



Preparing for Retirement

☐ **Explore** - Explore Canada’s public pension system and decide when to apply for public pension benefits (the age at which you apply can change how much you receive). Most Canadian seniors are eligible to receive income from Old Age Security (OAS) and the Canada Pension Plan (CPP). Seniors with lower income may qualify for the Guaranteed Income Supplement and Alberta Seniors Benefit. You may be eligible for other benefits and employer-sponsored pensions, such as tax credits (disability, medical amount expenses), discounts, senior’s bank accounts and additional health and special needs assistance.

☐ **Create** - A registered retirement savings plan (RRSP) helps people save for retirement. When you retire, your RRSP contributions and return on RRSP investments can supplement your retirement income.

☐ **Understand** - Understand your family’s insurance needs. Have enough coverage to take care of outstanding debt. Update your insurance coverage to make sure it meets your current and future needs.

☐ **Write** - To plan in advance you should write: a personal directive, an enduring power of attorney and a will. Preparing these documents is a good way to make sure your wishes are honoured. Professional legal help is important when preparing a will. Make sure all your documents are prepared and witnessed properly.

	Decisions Made by You in Advance	Decisions Made for You by the Court*
Personal Decisions	Personal Directive	Guardianship
Financial Decisions	Enduring Power of Attorney	Trusteeship
Decisions After Death	Will	Intestate Succession Act

*In cases where a personal directive has not been written

Post Retirement Planning

To maintain a good quality of life after retirement, it is important to have ongoing plans and strategies for optimal financial security.

- ☐ **Budget** - Reassess and adjust your budget according to cost of living and unexpected expenses. Consider your future living arrangements and associated costs in retirement.
- ☐ **Review** - Check over your personal directive, will, enduring power of attorney, financial accounts and insurance policies. Ensure they are up to date.
- ☐ **Ensure** - Make sure there is continued coverage for your health benefits.
- ☐ **Reduce Vulnerability** - Reduce vulnerability to fraud and financial abuse by educating yourself and others about scams and fraud. Review monthly expenses and accounts for unauthorized charges and assess activity. If something seems too good to be true, then it probably is.
- ☐ **Seek Counsel** - Review your plans with someone you trust and respect as being financially responsible.
- ☐ **Convert** - Prior to December 31 of the year you age reach 71 consider transferring your RRSP into a Registered Retirement Income Fund (RRIF). A RRIF allows you to withdraw your RRSP savings as income for retirement. You are not eligible to hold an RRSP on January 1st following your 71st birthday.



Resources

Financial Consumer Agency of Canada

Toll Free: 1.866.461.3222

Website: www.fcac-acfc.gc.ca

Service Canada

Toll Free: 1.800.959.8281

Website: www.servicecanada.gc.ca

Alberta Seniors

Toll Free: 1.877.644.9992

Website: www.albertasupports.ca

Alberta Council on Aging

An Independent Non-Profit Charitable Organization Since 1967

Phone: 780.423.7781

Toll Free: 1.888.423.9666

Email: info@acaging.ca

Website: www.acaging.ca

