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To plan your retirement, picture the lifestyle you want to have. *MONKEYBUSINESSIMAGES - GETTY IMAGES*

# RETIREMENT PLANNING: NOT AS TEDIOUS AS YOU THINK

BY PHILIP FINE

In terms of things people don't feel like doing, retirement planning ranks up there with undergoing gum surgery, preparing your taxes, and an eight-hour flight. Financial planner Natalia Sandjian has seen that dread on the faces of her clients, but she always manages to erase it.

After sitting down with her clients and asking them about everything from the lifestyle they expect to have at retirement to the amount they contribute to RRSPs, they emerge from the exercise with a clearer economic picture of their final years.

"I've never had a client who's gone through the retirement planning process and regretted it," Sandjian says.

Many fear broaching the subject, but they soon realize that the most onerous tasks involve gathering paperwork, like tax and investment forms. Sandjian tries to emphasize the qualitative aspect of planning, and asks people to picture the retirement they've imagined for themselves. They can leave the calculations to her.

"Once a client brings us their dream, our job is to then quantify it," she explains.

The rule of thumb about retirement purports that it costs 70 per cent of the amount spent during working years, but Sandjian disagrees. She finds that theory doesn't take into account the nuances of the various lifestyles people seek in their retirement years. She brings up the example of two colleagues who were discussing retirement over lunch.

"One colleague wants to retire at 65 and travel all over the world," she recounts. "The other colleague said she wants to volunteer in her community and spend time on hobbies at home. The traveller will have a cost of living that's significantly higher than the one who's going to be content with volunteer work and hobbies."

For some, dreams are clouded by legitimate gloom. Sandjian had a client whose husband had died unexpectedly before he had retired. Even though she had a job and some money left to her, she had three dependants and worried she would not be able to retire at 65.

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"I recall her being extremely pessimistic about the future," Sandjian says. "She had a low cost of living, which is probably why I was able to tell her that not only was the plan realistic, but that she could even retire before 65."

But the woman remained unconvinced. A couple of years went by and the client called Sandjian back. One of her sisters had been diagnosed with cancer and she was hoping to spend more time with her.

"She said 'Now that my sister's not well and I'm not sure how long she going to live, what's the possibility of me leaving work earlier?'"

Sandjian crunched some numbers, and the woman came to see that she could, in fact, retire at 60. Sandjian is happy to report that the sisters have been spending a lot of time with each other, and ended up taking a vacation in Morocco, something they dreamed of doing together since they were young.

"She said 'thank you so much for reassuring me,'" Sandjian says, adding, "We do diagnostics and analyses, but fundamentally, what we're there to do is help clients make all these big decisions in their life."

While many of her clients are older, Sandjian would like to see some younger and less established people come to her office.

"Retirement may not be the first thing a young person thinks about, but the earlier you start thinking about retirement, the easier the task becomes," she says. "You can start to think about the projects, dreams, and objectives in your life, and start setting money aside."

And for those who cringe at the idea? Sandjian concludes: "You should not be afraid to come in, sit down, and just have a discussion."

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