



The Cost of Procrastination

TIME MOVES QUICKLY AND SO DOES THE COST OF YOUR RETIREMENT

Saving for the future may not be the most exciting thing to do with your money. The reality is we all need or want to retire someday, so when pulled in different directions and having to choose where to allocate your resources, saving for your retirement is often at the bottom of the list.

Proper planning and the commitment to the time it will take to save and grow your wealth are critical components in achieving your retirement goals.

Let's look at two scenarios and the cost of procrastination in each:

Scenario 1:

Single person earning \$100,000/year looking to maintain after-tax income in retirement.

Age	Income	Annual Taxes (before savings)	Monthly After-tax Income	Monthly RRSP Savings	Monthly TFSA/ Non-Registered Savings	Annual Tax Savings (Projected Refund)	Total Saved Annually until 65
25	\$100,000.00	\$27,133.00	\$6,072.25	\$1,425.00	\$0.00	\$6,002.00	\$17,100.00
35	\$100,000.00	\$27,133.00	\$6,072.25	\$1,685.00	\$425.00	\$6,963.00	\$25,320.00
45	\$100,000.00	\$27,133.00	\$6,072.25	\$2,000.00	\$1,500.00	\$8,084.00	\$42,000.00

*Assumes retirement age of 65, life expectancy of age 90. No retirement savings in place already, savings grow by 5%/yr. Figures include maximum CPP/OAS qualification starting age 65 and 2% inflation rate, income and savings indexed to inflation. Tax figures include CPP/EI premiums

For illustrative purposes only. This does not represent a financial plan and individual circumstances will vary. Consult with professionals before implementing any strategies.

Scenario 2:

Married couple earning \$80,000 & \$50,000/year looking to maintain after-tax income in retirement.

Age	Combined Income	Annual Taxes (before savings)	Monthly After-tax Income	Monthly RRSP Savings (Combined)	Monthly TFSA/ Non-Registered Savings	Annual Tax Savings (Projected Refund)	Total Saved Annually until 65
25	\$130,000.00	\$31,011.00	\$8,249.08	\$1,100.00	\$200.00	\$4,064.00	\$15,600.00
35	\$130,000.00	\$31,011.00	\$8,249.08	\$1,350.00	\$700.00	\$4,953.00	\$24,600.00
45	\$130,000.00	\$31,011.00	\$8,249.08	\$2,000.00	\$1,550.00	\$7,291.00	\$42,600.00

*Assumes retirement age of 65, life expectancy of age 90. No retirement savings in place already, savings grow by 5%/yr. Figures include maximum CPP/OAS qualification starting age 65 and 2% inflation rate, income and savings indexed to inflation. Tax figures include CPP/EI premiums

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Your Financial Plan is as unique as you are. Having your own custom Financial Plan provides you with a roadmap so that you budget for the right amount of savings while offering customized personal strategies to ensure you achieve your retirement goals.

GOT QUESTIONS?

Contact DJB Wealth Management Inc. today - we can help you stay on the right path!

Connect with a Certified Financial Planner™ professional by phone at 905.684.9221 or email wealth@djb.com.