

Financial Planning: Getting Started

Participant Guide



ALL RIGHTS RESERVED. This book contains material protected under International and Federal Copyright Laws and Treaties. Any unauthorized reprint or use of this material is prohibited. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system without a written [or electronic notice] permission from the author.

Contents

- Learning Objectives 4
- Financial Plan: Bringing Things Together 4
- Family 5
- Goals 5
- Develop Your Retirement Plan: Goals and Dreams 6
- Cash Flow..... 6
 - Savings 7
 - Four Steps to Debt Management..... 7
 - Budget Worksheet..... 8
- Assets..... 11
- Debt..... 11
- Insurance..... 12
- Tax 12
- Wills/Estate/Powers of Attorney 13
- Financial Plan Meeting Checklist 14
- Finding a Financial Planner..... 15
- Resources 15
- Financial Wellbeing Learning 16
- myFinances 16
- Employee and Family Assistance Program (EFAP) 17

Learning Objectives

This seminar is designed to help you:

- Recognize key sections of a financial plan
- Prepare information and documents for a planning meeting
- Identify questions to ask your financial planner

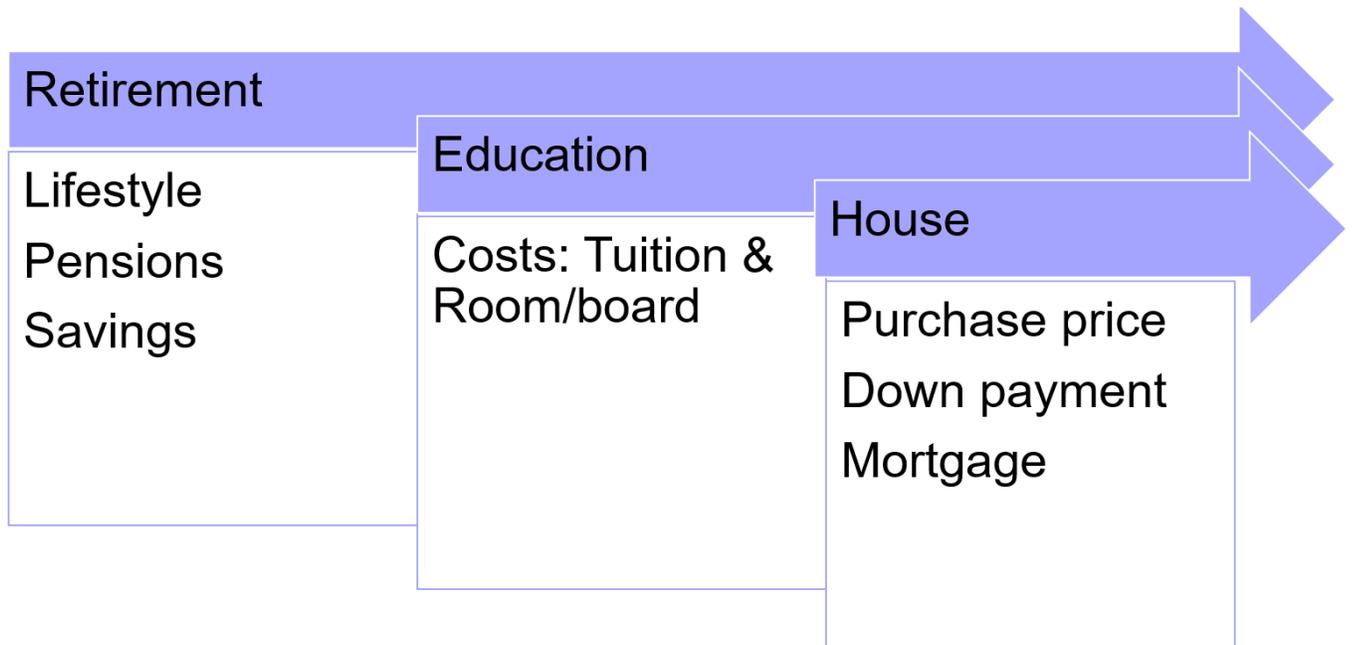
Financial Plan: Bringing Things Together

- Family
- Goals
- Cash flow: Income, expenses, and savings
- Assets: Investible and real assets (house)
- Debt (aka. Liabilities)
- Insurance
- Tax
- Wills, Estate, Powers of Attorney

Family

- Spouse/partner
 - Children
 - Parents
 - Siblings
 - Disabled dependents
-
-

Goals



Develop Your Retirement Plan: Goals and Dreams

- What is your lifestyle now, and what will that look like in retirement?
 - What do you want to do in retirement (travel, study etc)?
 - Where do you want to live?
-
-

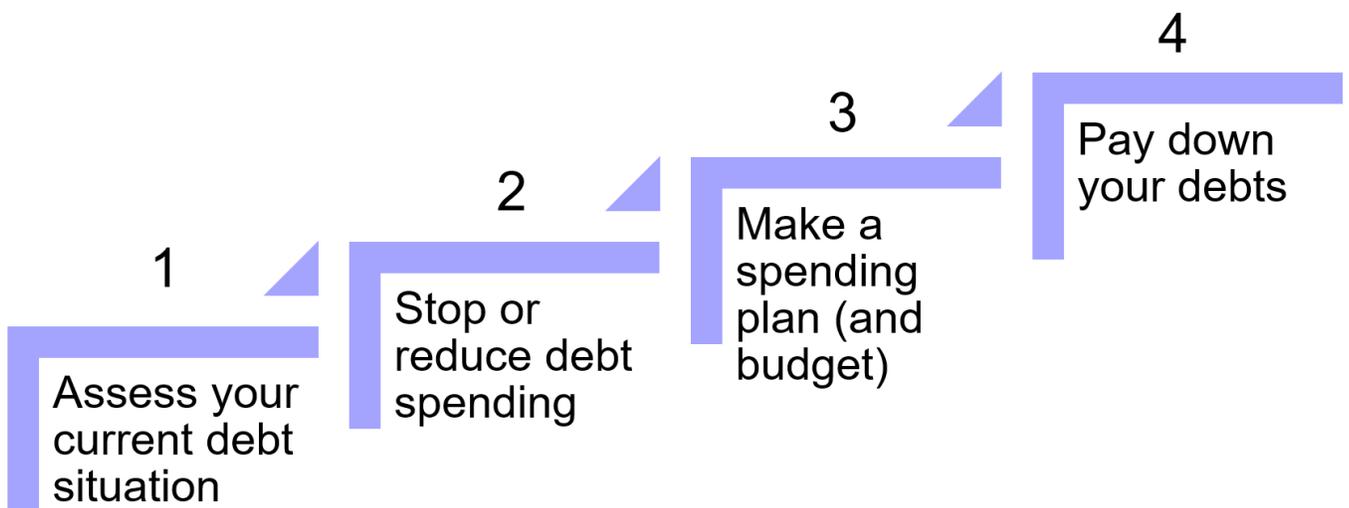
Cash Flow

- Income
 - Savings
 - Involuntary
 - Voluntary (optional)
 - Debt
 - Expenses
-
-

Savings

- Involuntary
 - Canada Pension Plan (CPP) (Quebec/QPP)
 - Employer pension plan
 - Voluntary
 - Employer pension plan: additional optional contributions
 - Personal savings: RRSP, TFSA, etc.
-
-

Four Steps to Debt Management



Budget Worksheet



Budget Worksheet

Instructions

(1) Income	Type	\$/month
	Employment (after taxes)	
	Investment	
	Child/spousal support	
	Rental	
	(A) Total Income	\$ -

Income: Enter the income that receive from work and other sources. These should be "after-tax" amounts, i.e., this is what you receive in your bank account. For example, if you are paid bi-monthly, multiple that amount by 2 to convert that to monthly. Add up all amounts to calculate your Total Income.

(2) Savings	Type	\$/month
	Non-registered	
	RRSP	
	TFSA	
	Pension	
	(B) Total Savings	\$ -

Savings: Enter the amounts that you are saving on a monthly basis. For example, if you save \$1,200 per year in your RRSP, divide that by 12 to convert that to \$100 per month.

Add up all amounts to calculate your Total Savings.

(3) Debt Payments	Type	\$/month
	Mortgage	
	Line of credit 1	
	Line of credit 2	
	Credit card 1	
	Credit card 2	
	Credit card 3	
	Student loan	
	(C) Total Debt Payments	\$ -

Debt Payments: Enter the amounts that you are paying to each debt on a monthly basis.

Add up all amounts to calculate your Total Debt Payments.

(4) Expenses		
Category	Item	\$/month
Housing	Property taxes	
	Rent	
	Condo fees	
	Home/rental insurance	
	Hydro/electricity	
	Natural gas/heat	
	Water/sewage	
	Alarm/security	
	House cleaning	
	SUBTOTAL	
Personal	Clothing	
	Grooming	
	SUBTOTAL	
Food	Groceries	
	Dining out	
	Take-out	
	Alcohol/tobacco/vaping	
	Food subscription/delivery services	
	SUBTOTAL	

Expenses: Enter the expenses that you have on a monthly basis. For example, if you pay \$3,000 per year in property taxes, divide that by 12 to convert that to \$250 per month.

Review each category and and enter amounts for the items that apply to you, then add up the Subtotal for each category.

Entertainment	Internet	
	Cable/streaming	
	Cell/home phone	
	Movies/concerts/shows	
	SUBTOTAL	\$ -
Transportation	Public transit	
	Car: insurance	
	Car: gas	
	Car: repairs	
	Car: parking	
	Ride-sharing	
	SUBTOTAL	\$ -
Health	Medical/dental insurance	
	Medications	
	Vitamins/supplements	
	SUBTOTAL	\$ -
Pets	Food	
	Grooming	
	Veterinarian	
	SUBTOTAL	\$ -
Recreation	Membership: gym	
	Membership: clubs	
	Magazines/subscriptions	
	Gaming/lottery	
	SUBTOTAL	\$ -
Child-related	Daycare	
	Activities/sports	
	Clothing	
	Toys	
	SUBTOTAL	\$ -
Vacations	Cost per vacation (on average)	
	SUBTOTAL	\$ -
Miscellaneous	Professional fees (e.g., lawyer, accountant)	
	Bank/credit card fees	
	Charitable donations	
	Gifts	
	SUBTOTAL	\$ -
	(D) Total Expenses	\$ -

Total Expenses: Add up the Subtotals from each category, and this will be your Total Expenses.

Results	
Section	Amount
(A) Total Income	\$ -
(B) Total Savings	\$ -
(C) Total Debt Payments	\$ -
(D) Total Expenses	\$ -
Surplus/Deficit	\$ -

1. Take the totals from each section and write them in the corresponding space, e.g., from the "Income" section, take the "Total Income" amount, and so on.
2. To calculate the "Surplus/Deficit":
 - a. Take the "Total Income" amount...
 - b. Subtract the "Total Savings" amount...
 - c. Then subtract the "Total Debt Payments" amount...
 - d. And subtract the "Total Expenses" amount.
3. The number that you end up with will be either a positive number or a negative number. See below for explanations.

Positive: If this result is a positive number, this indicates a surplus, and this means that you may have excess cash at the end of the month. Consider saving these excess funds, or paying down debt, or a combination of both.

Negative: If this result is a negative number, this indicates a deficit, and this means that you may not have any excess cash at the end of the month. This could suggest that your debt payments and/or expenses are too large, and so you may want to consider reducing some expenses, with the goal of changing this number to a positive "surplus" amount.

Assets

- Investments: RRSP, TFSA, non-registered
 - Cost
 - Current value
 - Regular savings
 - Pensions
 - Type (defined benefit/defined contribution)
 - Balance
 - Contribution amount
 - House
-
-

Debt

- Credit cards
 - Loans
 - Mortgages
 - Details include: balance owing, interest rate, payment
-
-

Insurance

- Existing coverage
 - Personally-held
 - Through employer
 - Needs assessment
-
-

Tax

- Registered investments & contributions
 - RRSP, TFSA
 - Non-registered investments
 - Interest, dividends, capital gains
 - CRA Notice of Assessment
-
-

Wills/Estate/Powers of Attorney

- Will
 - Who is important to you?
 - What are your assets?
 - Estate
 - Net worth at death
 - Powers of Attorney
 - For “property”
 - For “personal care”
-
-

Financial Plan Meeting Checklist

Financial Plan Meeting Checklist

Use this checklist to prepare documents prior to your financial plan meeting.

Section	Document	Checkbox	Note
Cash Flow	Budget	<input type="checkbox"/>	
	Payslip	<input type="checkbox"/>	
Investments	RRSP	<input type="checkbox"/>	
	TFSA	<input type="checkbox"/>	
	RESP	<input type="checkbox"/>	
	Non-registered account	<input type="checkbox"/>	
Debt	Credit card	<input type="checkbox"/>	
	Line of credit	<input type="checkbox"/>	
	Loan	<input type="checkbox"/>	
	Mortgage	<input type="checkbox"/>	
Pension	Pension statement	<input type="checkbox"/>	
Insurance	Life	<input type="checkbox"/>	
	Disability	<input type="checkbox"/>	
	Accident	<input type="checkbox"/>	
	Critical illness	<input type="checkbox"/>	
	Other	<input type="checkbox"/>	
Tax	CRA Notice of Assessment	<input type="checkbox"/>	
Will/Estate/POA	Will	<input type="checkbox"/>	
	Power of Attorney - Personal care	<input type="checkbox"/>	
	Power of Attorney - Property	<input type="checkbox"/>	



Finding a Financial Planner

- Bank/credit union
 - Investment brokerage
 - Independent/fee-only
 - Online
-
-

Resources

FP Canada: <https://www.fpcanada.ca/findaplanner>

IQPF (Institut québécois de planification financière)

- FR: <https://www.iqpf.org/services-au-public/repertoire>
- EN: <https://www.iqpf.org/en/services-for-the-public/find-a-financial-planner>

Financial Wellbeing Learning

General

- ABCs of Consumer Debt
- Buying a Home or Second Property
- Couples and Money
- Financial planning: Getting started
- Inflation and Managing Your Finances
- Personal Budgeting
- Retirement: Preparing Your Finances
- Saving for a Rainy Day
- Working with Financial Advisors
- Young Families: Managing Your Finances

Investments & Pensions

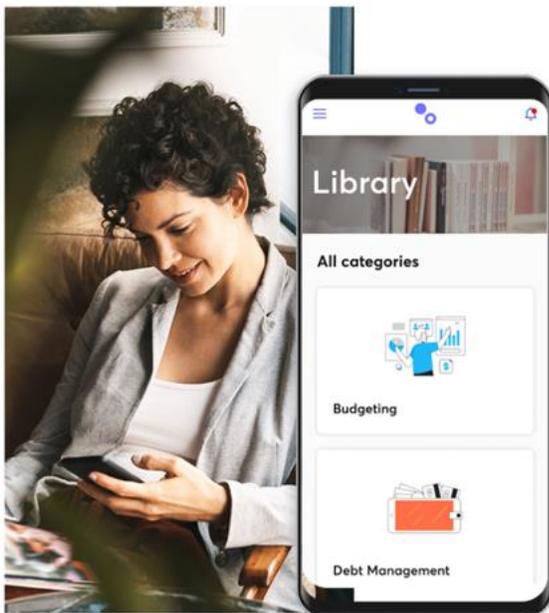
- Basics of Investing (Part 1)
- Basics of Investing (Part 2)
- Government Pensions and Benefits
- Pension Plan Basics – Defined Benefit
- Pension Plan Basics – Defined Contribution

Specialized

- Considerations for Wills, Powers of Attorney, and Estates
- Cryptocurrency Basics
- Managing Your Finances & Tax Considerations
- Insurance: Assessing Your Needs



myFinances



myFinances

Build your financial literacy

Assess knowledge, actions, and emotions around financial wellbeing

Address debt issues

Learn about emergency savings

Start budgeting

Prepare for retirement



Employee and Family Assistance Program (EFAP)



- For confidential support and access to resources, contact your EFAP using login.lifeworks.com or the LifeWorks app.
- Contact your leader or HR to learn how to access your organization's EFAP.

