

In spring 2022, we invited questions from members about the Western pension plan. This member asks, "I'm not sure I'll know when I've saved enough to be able to afford to retire. Is there an amount, I should be trying to reach?"

How much we need to save for retirement is very personal and unique to the many factors of our individual situations. So the real answer is, "it depends".

This can be seen from a number of variables. Our needs will vary depending on the lifestyle we have, and how long we need to maintain that in retirement. If we make a simple assumption that we'll all live to be 90 than someone who retires at 55 will clearly need to plan differently for the 35 years they'll spend in retirement than the retiree who works until they're 70, and only has 20 years in retirement. Similarly, a retiree who travels frequently, or is maintaining a second home will need to plan differently than the retiree is planning to mostly enjoy their garden and volunteer locally. Add to that differences in terms of how we support our families, whether we have a partner, if we're retiring with debt; our health situation, and our different comfort levels with the risks we take with our investments; and of course uncertainties around investment returns and cost of living, and it's easy to see how there isn't one right answer, or magical number.

However, a great starting point, at any age, is to personalize your goal, using the Retirement Planner Tool, in your Sun Life account. To access the tool. Visit www.mysunlife.ca/Western and log into your account using your Sun Life or Western credentials, and then select 'my plan'; you'll actually see a summary of your goal and likely income, right on the page. If you've never completed the retirement plan or tool before that many assumptions have been made for you. Now's the perfect time to fine tune this as best you can, based on the plans as you know them now. You can come back at any time, as life unfolds and your plans change to make updates. You can link to individual components of the tool here or you can head to the full tool by selecting Edit next to "your current retirement goal". You can also link from the toolbar across the top of the page. By selecting Resource Center, and my money tools, and choosing retirement planner.

In one snapshot, you'll see key information and leavers that you can adjust to customize your plan. The tool will walk you through setting your goals, which you can think of in terms of retirement age or income level. It will then lead you through the accounting of your current savings and the new savings or contributions that you're making, and how those savings might be growing as a result of the investment choices that you've made for your account. You can then see the impact of saving more, changing your target retirement age, or changing how you're invested. The tool will lead you on a step by step walkthrough of the variables.

The area of planning that I've seen people struggle with the most is targeting an income goal. One approach to determining your goal is through a detailed budget analysis of your spending today and expected spending in retirement. But this process alone can be a showstopper in the planning process. Fortunately the Sun Life tool offers profiles of various lifestyles that can help you to easily ballpark the income needed to support that lifestyle. Of course if you prefer to customize that remains an option.

If you need support navigating the retirement plan or tool or for support with any aspect of your account management contact Sun Life at 1-866-733-8612.

And if you're closer to retirement, you can access dedicated support from a Sun Life retirement consultant; you can reach this team by calling 1-866-224-3906 and selecting option 1. Retirement Consultants are salaried employees of Sun Life and their support is included in our plan. They're specialists in the retirement phase, and the Sun Life Retirement & Savings Plan for Western Retirees. They have an even more robust tool to help create a retirement income roadmap for you.