

## Book Review

# *The Boomers Retire:* **A Guide for Financial Advisors and Their Clients, 2<sup>nd</sup> Edition**

By: Lynn Biscott, CFP, RFP

One of a number of books coming on strong this decade with the words boomer and retire found on their cover, the author promises that this revision of her 2008 edition will appeal to both the financial advisor and the end user of her expertise, the burgeoning population of mature clients. Because so many clients are now entering the distribution stage of their wealth and closing out that of accumulation, it has an assured market.

### **Quality Of Life**

Her second objective is to address quality of life issues, what she calls life planning, as much as to speak to quantitative planning. To that end, there is a substantial chapter entitled 'Where to live' which looks in depth on the impact of aging on one's living space, the merits of one relocation over another, and seven related tables concerned with physical and financial well-being if a move is contemplated.

Biscott is an advisor running an independent practice in Toronto called Fernwood Consulting Group. She looks initially at sources of retirement income in respective chapters: government administered, employer sponsored, and personal savings plans. She moves on to itemize 13 investment choices or products such as income trusts, index-linked GICs, and annuities. Tax, insurance, and estate planning warrant their separate chapters. The concluding chapter consists of tips on working effectively with retirees. In this revised edition she has revamped the treatment of when best to start receiving CPP and on how one can have earlier access to locked-in private plan funds.

An example of her advisor advice would be how to address the fears that income sources will be depleted in midstream due to the predations of tax, medical, or other unforeseen crises either in the family or in financial markets. Biscott counsels that using 'highly conservative' estimates of affordable spending will increase confidence and that running a Monte Carlo analysis to illustrate the probability of achieving a target income will help.

### **TFSA Treatment**

In her treatment of TFSAs, Biscott points out that there is no upper age limit on contributing. As a repository for contingency funds (ex. replacing a car), the TFSA is a good one because it can be held in a fixed income vehicle and the retired client will benefit from receiving interest income on a tax-free basis.

With a generous use of tables and examples of client situations throughout the text, 'The Boomers Retire' is a book occupying that enviable middle ground accessible to the person with a CFP designation – six of them are acknowledged here for their assistance – as well as to the 14 per cent of the country's total population aged 65 and older. The data in this Carswell publication are current to November 2010. ■