

MONTHLY NEWSLETTER

WWW.KLTWEALTH.CA

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Market Watch

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TOPICS

Market Watch

On the Blog

Financial Tip

Joke of the Month

Recipe of the Month

March saw weakness across both equity and bond markets. US equities slumped, down between 2.75%-5% across the 3 major indexes. Canadian equities fared better, ending the last month down slightly below 0.5%, while various bond indexes are down around 1%. We saw the volatility index (VIX) peak on March 10th, but has since retreated, signaling a greater sense of stability amongst investors. However, there continues to be uncertainty with the geopolitical landscape, and ongoing trade wars. All eyes are on President Trump's April 2nd deadline for the implementation of retaliatory tariffs. Until the details of this, and what the fallout will be is known, uncertainty will persist. Domestically, we now have a Federal Canadian election on the books for April 28th, and it appears we likely won't see any negotiations between Canada and the US until this is over.

Structuring Your Retirement Income

Congratulations! Retirement is on the horizon. You have a vision for what you want your retirement to look like, and you've calculated the costs involved. Now, it's time to determine how to pay yourself to maximize your savings.

Important Retirement Ages

Age 60 Eligible for early CPP (reduced benefit)

Age 65 Eligible for Normal CPP

Eligible for OAS

Age 70 CPP benefit no longer increases if held off

Age 71 Deadline to flip RRSPs into RRIFs (Have until December)

Deadline to flip LIRAs & LI-RRSPs into LIFs (Have until December)

Age 72 Must start withdrawing minimum RRIF amount (Have until December to withdraw)

Must start withdrawing LIF, min and max rules apply (Have until December to withdraw)

General Rules for Sourcing Your Retirement Income

1) Defined Benefit Income

These sources give you a pre-determined amount. There is little to no wiggle room on when or how much you receive. However, they do typically increase with inflation. This includes defined benefit pensions and OAS.

2) Consider CPP

Once started, you get a set monthly amount of CPP. However, it can be started early for a decreased monthly amount or delayed for an increased amount. Most people take it at 65 or retirement. The CPP benefit does increase with inflation.

3) Other Retirement Accounts

Any remaining amount needed for retirement typically comes from accounts like RRSPs and LIRAs. You coordinate the amount with your wealth advisor and adjust as necessary.

Retirement & Taxes

Benjamin Franklin said, "In this world, nothing can be said to be certain, except death and taxes." In other words, in retirement, the taxman still wants his money. Since you are now paying yourself... you are responsible for prepaying your income taxes (this is called withholding taxes). This is done by attributing a percentage of your income to be withheld from each source – RRIFs, LIFs, CPP, OAS, etc.

You can apply the same percentage to all sources or a different percentage to each, and you can change these amounts at any time. Ideally, you want to owe little to no income taxes in April. Ask your tax preparer if you're unsure how much withholding tax you should have taken off.

High-Income Earners & OAS Clawback

If you foresee yourself as a high-income earner in retirement, you'll need to consider OAS clawback. OAS clawback is when the government claws back your OAS benefit due to a high income. It's based on the difference between your income and the threshold for the year, 2025's threshold is \$93,454. Therefore, anyone earning \$93,454 or more in 2025 must factor this into their plans.

Additionally, if your retirement income sources include complex elements like property sales or business income more planning is required. Discuss these matters with your wealth advisor early to implement strategies tailored to your needs.

You've worked hard to save your money. Now, let's maximize your savings for years to come.

To optimize your retirement income, contact KLT Wealth Management.

Courtney Beach, QAFP



FINANCIAL TIP

TAX DEADLINE APRIL 30!

It's that time!
Find a folder and
organize all your income
tax back-up materials.

Create a check list.

Call us for last minute tax
strategies?



LISTEN TO OUR PODCAST
BUILDING WEALTH ON THE GO

SPECIAL DAYS IN APRIL

WORLD HEALTH DAY - APRIL 7

EASTER SUNDAY - APRIL 20

EARTH DAY - APRIL 22

JOKE OF THE MONTH



You give me your burger,
and I give you back half a
burger, that's a fifty
percent return!



RECIPE OF THE MONTH

TORTELLINI WITH ASPARAGUS & LEMON

INGREDIENTS

- 2 packages (9 ounces each) refrigerated cheese tortellini
- 3 tablespoons butter
- 1 tablespoon olive oil
- 2 cups cut fresh asparagus (2-inch pieces)
- 3 garlic cloves, minced
- 1/8 teaspoon pepper
- 2 teaspoons chopped chives
- 1 teaspoon minced fresh parsley
- 1/2 teaspoon chopped fresh dill
- 1/2 teaspoon grated lemon zest
- 2 tablespoons lemon juice
- 2/3 cup crumbled feta cheese
- 1/3 cup grated Parmesan cheese

DIRECTIONS

1. Cook tortellini according to package directions. Meanwhile, in a large skillet, heat butter and oil over medium-high heat. Add asparagus; cook and stir 3-4 minutes or until crisp-tender. Add garlic and pepper; cook 1 minute longer.
2. Remove from heat; Drain tortellini; transfer to a large bowl. stir in herbs, lemon zest and lemon juice; Stir in cheeses and asparagus mixture.

ENJOY!



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