2026 IAFP®
Symposium Case Study

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THE ONE WHERE THEY PLAN FOR RETIREMENT

It has been over two decades since we last saw our "Friends". 21 years to be precise. Since that time a lot has happened in the lives of Ross, Rachel, Monica, Chandler, Phoebe and Joey.

Though our case is going to focus on Ross and Rachel primarily, here is a little information about what is going on in the lives of our other Friends.

Monica (age 56) and Chandler (age 57) are living in Manitoba with their twins Jack and Erica (age 21). Monica owns and runs her own restaurant Bing Your Appetite. She has incorporated her business. Chandler was diagnosed with Huntington's disease a few years ago and can no longer work as the disease progresses. He is thankful that his children are adopted, so they cannot inherit his condition.

Soon after Mike's passing 15 years ago, Phoebe (age 58) went to Hollywood to visit and stay with Joey (age 57) for awhile. Little did she know that she would not come back to Canada, after falling in love with the now movie star. Joey and Phoebe never married, but happily live common-law in California with their three cats, thankfully none of them are smelly.

Ross & Rachel

Ross (age 57) and Rachel (age 56) are living in Winnipeg with their daughter Emma (age 23). Emma was just accepted into the Master's program in Marine Biology at the University of British Columbia and both parents could not be happier with her success.

With this change of location, Rachel wants to make a move to the west coast. She never quite acclimatized to the weather in Manitoba and it would be great for her job in fashion, as she just recently was promoted to running the company's Asian/Australian division.

Ross is firmly anchored in Winnipeg. He is the Director of the Manitoba Museum. He also wants to stay close to his sister and her husband with their recent health concerns.

Ben (age 29) from Ross' first marriage came to live with them last year. Ben is trying to get his musical career going with little success. Ben feels that Ross and Rachel treat Emma preferentially and that she is the "golden child". This is weighing heavily on him and he is finding it tough to get out of bed in the morning the more he thinks of himself as a failure. The fact that Rachel wants to move causes Ben even more anxiety, as he feels she never accepted him as part of her family.

Ross and Rachel have had problems of their own. Rachel travels a lot for her fashion position leaving Ross at home. This disconnect has led the couple to consider a trial separation. To further compound this issue, Rachel had a recent one-night stand. In her defence, she says they were "on a break".

Ross is having a very difficult time with the infidelity. This is not the first time he has been cheated on in a marriage. His first wife Carol left him for another woman and the sting of that betrayal and the inadequacy that it created has never quite left him.

Despite this, Ross wants to make the marriage work. He does not want to let go of Rachel or see things change in his life. He is happy living a quiet life with modest spending, buying the occasional toy dinosaur and mastering Unagi in his karate classes. He is hoping that he and Rachel can see eye-to-eye going forward.

For Rachel, the affair has made her think about what she really wants for her future. She wants to travel and loves shopping. She could see herself living on the west coast enjoying both the ocean and the mountains. With Ross taking care of much of the household expenses, she lives a luxurious lifestyle.

Debt is a concern for Ross. Though they have owned their house for 15 years, the mortgage is higher today than when it was purchased. He can't seem to wrap his head around how that is even possible. Rachel feels that Ross is mismanaging their funds. She gives him enough money and they should have paid off the house by now.

With their relationship and future up in the air, Rachel and Ross are now concerned about what a divorce may do to their retirement plans.

Net Worth

$50,000 – Joint bank account
$225,000 – Ross' TFSA invested in a balanced fund
$750,000 – Ross' Commuted Value of DB pension plan
$430,000 – Rachel's TFSA invested in AI stocks
$950,000 – Rachel's RRSP invested in broad based stock ETFs
$35,000 – RESP where all remaining value is tied to contributions made for Ben
$1,000,000 – House in Winnipeg
$750,000 – Mortgage at 1.95% set to renew in September 2026

Income, Expenses & Savings

$125,000 – Ross Salary
$250,000 – Rachel Salary + Bonus

Ross and Rachel save the maximum annual amounts to their pensions/RRSPs and TFSAs. They spend the remainder of their income. They are unsure if they are going to be able to help Emma with post-secondary school, as there is no remaining value in the RESP for her. They expect annual school and living costs to be around $25,000 per year for Emma.

Insurance

Both Ross and Rachel have mortgage insurance for both death and disability. In addition, they each have 2X earnings through their employers.

Ross, seeing what has happened to Chandler, wonders if there is enough there for both Ben and Emma.

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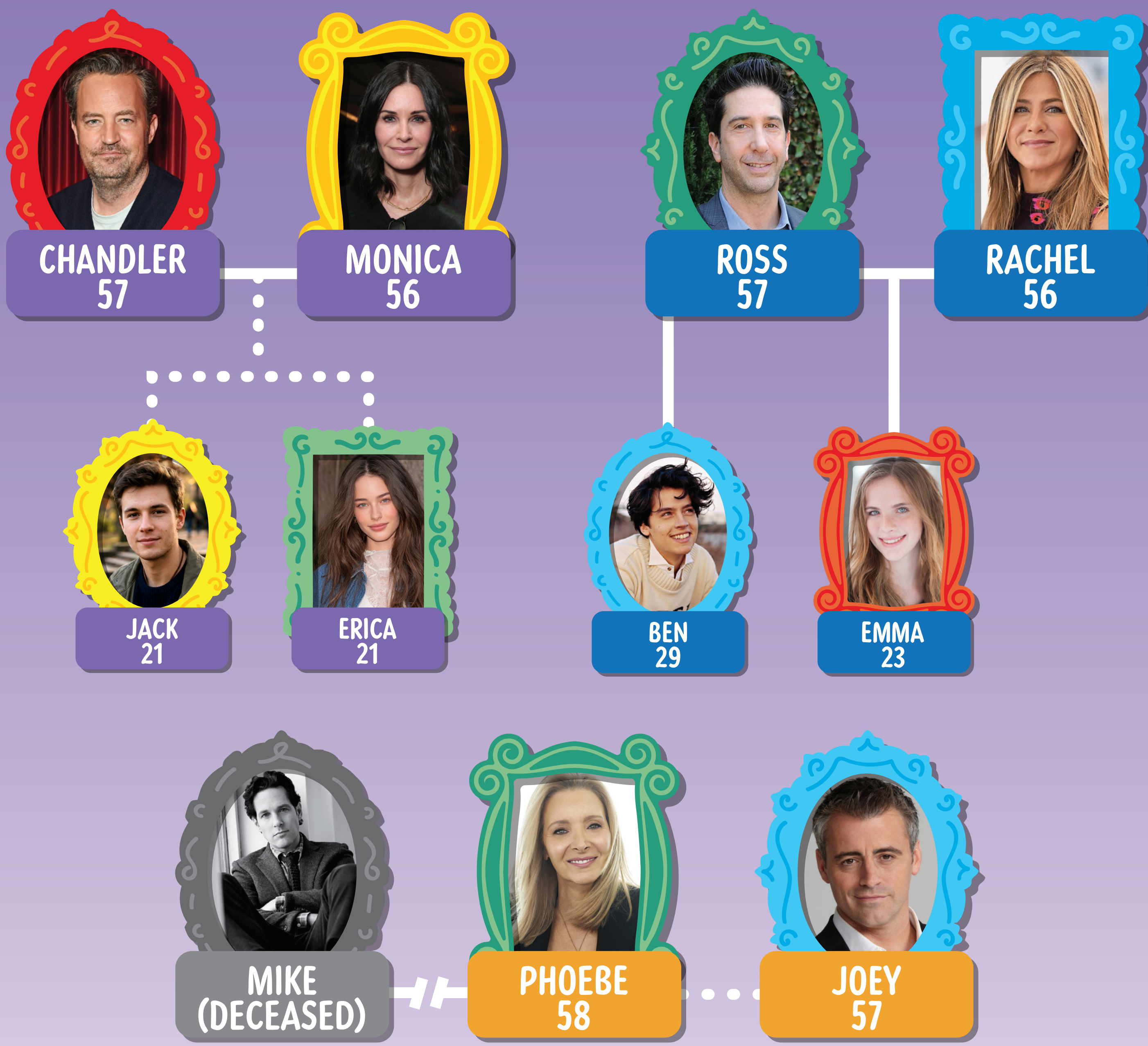

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