

**James C. Denton, CFP®**

**Managing Partner**

116 Morlake Dr., Suite 102, Mooresville, NC 28117

151 W. Washington Ave, PO Box 87, Washington, NJ 07882

980-444-0330 908-689-0500 844-523-3686 Fax 908-689-0131

Jim@dfs-advisors.com

**Pre-Retirement Planning Worksheet**

When you begin to think about retirement, there are a host of issues which you should take into consideration. These questions tend to fall into three categories:

* What do you expect retirement to look like (i.e., lifestyle issues)?
* What do you expect it to cost?
* Where’s the money coming from?

Neither you nor I can create any kind of reliable or actionable plan for retirement (beyond the obvious, save all you can for as long as you can) without answering these key questions. With this in mind, the following more specific questions are provided to help you in thinking through your own answer to the major issues identified above. While you do not necessarily have to answer all of these questions, they should help you in grasping just how significant an endeavor “retirement” is, and identifying what you need to be thinking about and working on to plan and prepare for retirement, whenever you intend to “pull the trigger”.

When should you start? Today. Not just in thinking about these issues, not even in answering the questions they raise***. You must start today in doing the specific things*** that the answers to these questions ***suggest or demand*** that you should be doing.

When do you expect to retire?

Where do you plan to retire?

What does retirement look like to you?

* “Hard” (total) or “Soft” (continue to work at slower pace)
* Income expected from continuing work
* Anticipated income needed

Home Equity to take with you if you plan on moving?

* Mortgage amount and terms
* Estimated home value

Do you have a “defined benefit” (guaranteed) pension? (from current or previous employer)

Amount expected including survivor benefits

What is your projected Social Security benefit?

Any other guaranteed income in retirement?

Will you have (i.e., does your pension provide) health insurance aside from Medicare?

(for either or both of you … if only for one, does it continue for spouse upon your death?)

What retirement savings do you currently have?

* 401(k) or 403(b), Traditional IRA, and/or Roth IRA

What other savings do you have?

Other investments or assets

How much are you presently systematically saving towards retirement?

* 401(k) or 403(b) or other defined contribution plan contributions
* IRA or Roth
* Non-qualified savings
* Systematic debt reduction

Any “windfall” expectations (inheritance, trust entitlement, business sale, stock options, etc.)

Total debt and repayment plans

Expected major expenses between now and retirement

* College
* Parents to support?
* Special Needs children?

Do you have or have you considered Long Term Care insurance?

How much life insurance do you have?

What are your current views towards risk?

* How your investments are invested, your feelings/reactions about performance, etc.

How do you expect these views to change as you get closer to or enter retirement?

How long do you expect to be retired? (i.e., do you have an informed idea of your or your spouses life expectancy?)

* Are your parents still alive? Uncles or Aunts? How long did they live?
* Your health and that of your siblings?
* Relevant family health history (Alzheimer’s, heart disease, cancer, other hereditary illness)

What are your thoughts and plans with regard to the remainder of your estate upon death?

* Do you wish to leave an inheritance for your children, grandchildren, or others?
* Do you have any charitable giving aspirations upon death?
* Do you have a formal or informal estate plan in place? (Wills, trusts, estate tax avoidance, etc.)

What assumptions do you want me to use for …

* These are technical issues to be sure, about which you may have very little understanding. We can discuss the meaning and effects of these items; purpose here is to get an idea of your appreciation of the economic environment in retirement and how it impacts your long term planning.

Expected Inflation rates

Real estate appreciation (or depreciation?) for your current home

Real estate appreciation for your retirement destination

Expected cost of a replacement home (compared to value of current home;

i.e. do you expect to downsize?)

Interest rates – money market and 10-year treasury

Investment returns

Are income tax rates going up, down or staying the same?

Is Social Security going to change in any way?

Are your pension terms dependable? Health insurance?

What haven’t I asked that I should have?