



Your *fearless*
financial plan for
retirement

When you reach your mid-to-late 50s, it's time to seriously consider your retirement. Our Fearless Financial Plan for Retirement is full of resources that help you explore what retirement looks like for you, and a checklist to prepare you for the retirement you envision.

CREATING YOUR FEARLESS FINANCIAL PLAN FOR RETIREMENT



As you approach retirement, you may be thinking about how you want to spend your days and wonder if you will have the resources to live the life you want.

While many of us think about leaving our careers to pursue other passions, or traveling to places we want to experience first-hand or volunteering more in retirement, we are often held back by our fear of the unknown. And the biggest unknown for most is whether we will outlive our money.

The key to creating a fearless financial plan for your retirement is having a clear picture of where you are now and a roadmap to get to where you want to be. How ready are you for retirement? Our checklist will let you know.

AT LEAST 5 YEARS BEFORE RETIREMENT

Put structure around your goals by writing them down

- Where do you think you would like to live?
- Will you stay in your home or downsize?
- Where will you travel to and how often?
- Will you continue to work and what will you do?
- Will you volunteer or go back to school?

Create a net worth statement that includes a high-level view of your assets and liabilities

- [Create your Net Worth Statement »](#)

Track your spending for a full year

- Your online banking service may offer this type of analysis
- Use an online service like [Quicken.com »](#) or [Mint.com »](#)
- [Budgettracker.com »](#) (Let's you enter your spending information manually if you don't want to link your accounts online.)

Create a target retirement budget

Be sure to include any expenses that you think you will have in retirement

- [AARP Retirement Budget Worksheet »](#)

Obtain your Social Security benefits statement

- [Social Security Benefits Statement »](#)

Complete a financial plan

At a minimum, your plan should include:

- Net Worth statement
- Current investment allocation
- Cash flow needs during retirement
- Monte Carlo analysis to get a better idea if your retirement is sufficiently funded or if additional savings are needed
- Sources of income to include guaranteed income such as pensions, annuities, Social Security and variable income such as brokerage accounts, IRAs, 401ks
- Estimate of future taxes owed on tax-deferred savings such as IRAs and 401ks
- Stress test your plan for a variety of "what if" scenarios like early retirement due to a layoff or poor health, high medical costs, supporting a child or parent in need, financial changes should you delay retirement, etc.

Putting together a complete financial plan may be beyond what you can do on your own. We recommend working with a financial advisor who can analyze your specific financial situation.



1 YEAR BEFORE RETIREMENT

Update your financial plan

Review your investment strategy including the best ways to create your desired income stream

Review any retirement benefits that you may receive from your employer

Look into your health care options including your Medicare options

Determine any additional health care costs not covered by Medicare

- [Getting Started with Medicare »](#)

By age 64, review your Social Security filing options

- [Social Security Benefits Calculator »](#)

A word of caution: Do not file for early benefits (i.e. at age 62) without analyzing the long-term financial implications first.

Plan to pay off any outstanding 401k loans

Begin repairs and improvements on your home if you plan to sell it

WHAT DOES RETIREMENT LOOK LIKE FOR YOU?

Preparing for retirement requires understanding “the what” and “the how” of re-creating your life. Simply put, it comes down to finding a balance between what you want in retirement and how much money you will need.

Preparing for what you will do in retirement should begin well before your last day of work. These resources are a good place to start to reimagine your life in retirement.

Recommended reading:

[Changing Course: Navigating Life After 50 by Dr. William Sadler »](#)

[What Color is Your Parachute? For Retirement: Planning Now For The Life You Want »](#)

[The Retiring Mind: How to Make the Psychological Transition to Retirement »](#)

Start training for a new career or learning a few new skills:

[Lynda.com »](#)

Consult a career or life coach:

[International Association of Coaches »](#)

Let us help you create a fearless financial plan for your retirement. If you have questions or would like to arrange your appointment, please contact us:
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