Your Retirement Income Worksheet

Paul Fogarty
ASSOCIATES



Not All Retirement Expenses Are Created Equally

As you prepare for retirement, it is important to understand there are generally two kinds of retirement expenses.

Essential:
These expenses you have to pay such as your mortgage and other related home expenses, food, cars, healthcare, etc.

Discretionary:
These are your lifestyle expenses such as entertainment, travel, and other leisure activities.

A secure retirement is built on the foundation of having enough guaranteed income to meet you essential expenses. Of course all of us want to be able to live the lifestyle of our choice, but we know if we can at least meet our essential expenses, we will be able to sleep well at night.

Together we can use this worksheet to create a customized income strategy to help meet your individual needs and to ensure that your income will last for your entire life.

Gap Finder

How to identify your retirement income needs in 4 easy steps:

1. ESTIMATE your expenses in retirement.

Expenses measured annually

Essential Expenses

Housing e.g., mortgage payments, rent, insurance, property tax	
Utilities e.g., gas, water, electricity, telephone, cable	
Food/Groceries/Meals	
Transportation e.g.,car payments, gas, car insurance, maintenance	
Personal e.g., clothing, haircuts, dry cleaning, toiletries	
Healthcare e.g., medical insurance, vision/dental, prescriptions and other out-of-pocket expenses	
Life, Disability and Long-Term Care Insurance	
Other	
Annual Essential Expenses	

Lifestyle Expenses

Entertainment e.g., movies, theatre, sporting events and restaurants	
Travel and Recreation e.g., hotel, airfare, and RV/boat expenses	
Memberships e.g., golf, health club and yoga	
Gifts and Donations	
Other	
Annual Lifestyle Expenses	

Annual Essential Expenses	
Annual Lifestyle Expenses	
Total Annual Expenses (Essential + Lifestyle)	

Planning Tip: Don't overlook your spouse's assets and guaranteed income. Group all assets and income together, or complete separate worksheets for you and your spouse.

2. DETERMINE your guaranteed sources of income.

Estimate the income you'll receive from Social Security, pensions, annuities and other guaranteed sources of retirement income. Expenses measured annually

Guaranteed Sources of Retirement Income	
Social Security	
Pensions	
Annuities e.g., guaranteed lifetime withdrawals or annuity payments	
Other	
Total Annual Guaranteed Income	

3. CALCULATE your essential income gap.

Take your Annual Guaranteed Income minus your Annual Essential Expenses.

Annual Guaranteed Income	-	Annual Essential Expenses	=	Essential Income Gap
_____	-	_____	=	_____

Next, take your Annual Guaranteed Income minus your Total Annual Expenses (your essential expenses plus your lifestyle expenses) to see if you are facing a Total Income Gap.

Annual Guaranteed Income	-	Total Annual Expenses	=	Total Income Gap
_____	-	_____	=	_____

If the result of either calculation above is negative, you are likely to face an essential income gap or a total income gap. You may want to consider repositioning a portion of your existing assets to generate additional guaranteed income to help cover your income gap.

4. INVENTORY your investment portfolio.

Now that we have determined whether or not you have a retirement income gap, we can review your portfolio to determine if any of your assets can be used to create income for your retirement. Be sure to include all of your assets, no matter where they're invested.

Sources measured at their current value.

If you're facing an Essential Income Gap or a Total Income Gap, you may want to consider repositioning a portion of these assets to generate the additional guaranteed income you need to help close the gap.

Inventory of Personal Assets

Stocks	
Bonds	
Mutual Funds	
Cash e.g., CD's, money market, checking, savings account	
IRAs e.g., Traditional and Roth	
Employer-Sponsored Retirement Plans e.g., 401(k)s, 403(b)s, SEP IRAs	
Annuities	
Other	
Total Current Assets	

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