

# THE *ABCs* OF RETIREMENT PLANNING

## 3-5 YEARS BEFORE RETIREMENT

### **A**SSESS YOUR ASSETS

- HOW MUCH DO YOU HAVE IN YOUR RETIREMENT ACCOUNTS?
- HOW MUCH DO YOU NEED?

### **B**EGIN BUDGETING

- KNOWING HOW MUCH YOU SPEND VS. HOW MUCH YOU MAKE IS CRUCIAL.
- WHAT CHANGES ONCE YOU RETIRE?
- IF YOU NEED TO SAVE MORE, STARTING NOW UPS YOUR ODDS.

### **C**ONTACT FINANCIAL ADVISORS

- INTERVIEW SEVERAL ADVISORS, THEY AREN'T ALL THE SAME.
- COSTS? BENEFITS? EXPERIENCE? CONTINGENCY PLAN? PRODUCTS?
- BE SKEPTICAL OF GUARANTEES AND "TOO GOOD TO BE TRUE".

## 1-3 YEARS BEFORE RETIREMENT

### **D**ECIDE WHICH ADVISOR(S) YOU WILL USE

- ASK THE UNCOMFORTABLE QUESTIONS:
  - \* HOW LONG HAVE YOU BEEN AN ADVISOR AND WHAT ARE YOUR AREAS OF EXPERTISE?
  - \* WHAT ARE THE FEES AND HOW QUICKLY CAN I WITHDRAW MY ENTIRE BALANCE SHOULD THE NEED ARISE?
  - \* YOU SHOULD BE ABLE TO FEEL TRUST WITH YOUR ADVISOR.

### **E**XPECT THE UNEXPECTED

- UNEXPECTED COSTS IN THE FIRST FEW YEARS OF RETIREMENT CAN REALLY DERAIL YOUR PLAN.
- IF YOU HAVEN'T SAVED ENOUGH, CONSIDER DELAYING RETIREMENT.

### **F**INALIZE YOUR PLAN

- WITH NO LESS THAN 6 MONTHS PRIOR TO RETIREMENT, YOU SHOULD HAVE A PLAN IN PLACE. YOUR ADVISOR SHOULD KNOW:
  - \* HOW MUCH TO SEND TO YOUR BANK EACH MONTH
  - \* YOUR RISK TOLERANCE, BENEFICIARIES, AND GENERAL TAX PICTURE
  - \* PLANNED EXPENDITURES (VEHICLE PURCHASE, TRAVEL, ETC.)

### **G**ET READY! BY NOW YOU:

- HAVE INFORMED HR OF YOUR LAST DAY.
- KNOW YOUR MONTHLY EXPENSES.
- HAVE MET YOUR SAVINGS GOALS.
- SHOULD COMPLETE A FINAL PRE-RETIREMENT MEETING WITH YOUR ADVISOR.

### **H**ONE YOUR EXECUTION SKILLS

- YOU'VE WORKED HARD FOR MANY YEARS, ARE YOU LIVING WITHIN YOUR MEANS?
- IF YOUR RETIREMENT INCOME IS LESS THAN YOUR SALARY, IT'S GOING TO BE AN ADJUSTMENT TO SPEND LESS. PRACTICE BEFORE YOU ARE FORCED.

### **I**NVOLVE YOUR SPOUSE

- EVEN IF THEY DON'T PAY THE BILLS, YOUR SPOUSE MUST BE INVOLVED IN THE RETIREMENT PLAN.
- THEY SHOULD BE FAMILIAR WITH YOUR PLAN AND YOUR ADVISOR IN CASE OF TRAGEDY.

## RETIREMENT AND 12 MONTHS LATER

### **J**UDGE YOURSELF - EARLY AND OFTEN

- ARE YOU MEETING YOUR SPENDING GOALS?
- YOUR ADVISOR IS LIKE YOUR DOCTOR, THEY NEED TO KNOW EVERYTHING ABOUT YOUR FINANCIAL PICTURE.

### **K**EEP YOURSELF ACTIVE

- THE FIRST FEW MONTHS EITHER FLY BY OR DRAG ON DEPENDING ON YOUR ACTIVITY LEVEL.
- ROUTINES KEEP YOUR MIND SHARP.
- EXERCISE AND INTERACTION KEEP THE BODY GOING.

### **L**OOK AT YOUR STATEMENTS

- REVIEW YOUR RETIREMENT ACCOUNTS QUARTERLY.
- DO YOUR INVESTMENTS MATCH YOUR RISK TOLERANCE?
- MAINTAIN OPEN COMMUNICATION WITH YOUR ADVISOR, THEY ARE YOUR BIGGEST FINANCIAL ADVOCATE.

