

Personal Retirement Planning Worksheet

Figure out an estimate of your retirement income needed and income available in 12 easy steps.

A. Determine how much income you will need:

1. How many years until you want to retire? _____ (a)

2. What is your current monthly take home pay?

(Total of your and your spouse's take home pay today in current dollars - do not adjust for inflation)

You _____

Your spouse _____

Total: _____ (b)

3. What is your current gross monthly income(salary)?

You _____

Your spouse _____

Total: _____ (c)

A good indicator of how much income you will need is a number between your current gross income and current take home pay. How much you need depends a lot on your lifestyle, and intended travel and activity level.

4. Adjust for inflation*

Use appropriate line from table below based on number of years closest to line (a)

If 12 years from retirement use:	1.4258
If 9 years from retirement use:	1.3048
If 6 years from retirement use:	1.1941
If 3 years from retirement use:	1.0927

*Adjustment factors are based on a 3% inflation rate

Answer from (b) Insert factor from
_____ x _____ table above = Inflation Adjusted
_____ (d)

Answer from (c) Insert factor from
_____ x _____ table above = Inflation Adjusted
_____ (e)

5. Retirement income needed is likely between d and e above.

Disclaimer: This worksheet is a very simplified version of determining your cash flow needs and income available. It is not to be relied upon as a sole determination of whether you have enough to retire. Please consult your own tax and financial advisors to run projections that take into account rates of return, tax rates and life expectancy issues that are appropriate for you.

B. Determine how much income you will have:

6. What is the current value of all investments?

	401k	Investments Stock/Mut Funds	Bank Savings	Other	Total
You					
Your spouse					
	Total:				_____ (f)

7. How much are you contributing each year to 401k, savings, etc.?

You	_____	x	number of yrs until retirement	=	_____
Your spouse	_____	x	number of yrs until retirement	=	_____
	Total:				_____ (g)

Add up total savings and investments available: **(f) + (g)** _____ (h)
 (this represents the nest egg available to you if you earned a 0% rate of return)

8. Calculate your future investment value based on your expected rate of return.

Factors below are based on a 5% rate of return.*

*This is a simplified calculation. If a proportionately large amount of money is being contributed each yr. from now until retirement than this calculation will overestimate the funds you will have available.

If 12 yrs from retirement use:	1.7959
If 9 yrs from retirement use:	1.5313
If 6 yrs from retirement	1.3401
If 3 yrs from retirement	1.1576

List total from (h)	Insert # from table above	=	Rate of return adjusted savings
_____ x _____			_____ (i)

9. Calculate how much income can savings and investments can provide:

List (i) from above	x	Rate of withdrawal* 0.04	=	Annual Income From Savings	Divide by 12	Monthly Income Available
_____				_____	_____ (j)	_____ (k)

*This number will vary depending on your investment choices.

10. What are your sources of income at retirement? (list monthly income amount)

	Pension	Social Security	Other	Other	Monthly Total
You					
Your spouse					
	Total:				_____ (l)

11. Calculate total income available:

Insert from line (k)	_____
insert from line (l)	_____
Total:	_____ (m)

12. Is total (m) above in between (d) and (e) under Determine Income Needed section?

If (m) is below (d) you may need to save more, retire later, earn a higher rate of return or spend less in retirement.
 If (m) is between (d) and (e) you may be on track, but are cutting it close.
 If (m) is above (e) your retirement income scenario is probably on track.