

Your Retirement Ready Checklist

Plan now and avoid outliving your
retirement money

What You'll Learn:

Savings Milestones
Budgeting
Healthcare planning

And more!

www.AndrewFeldmanAssociates.com



Are You Retirement-Ready?

Take a moment to use this checklist, ensuring you've covered all bases—from savings milestones to social security strategies.

Savings Milestones: Assess Your Savings Progress

Retirement readiness begins with a keen understanding of your financial foundation. Consider the following key elements in evaluating your savings progress:

Emergency Fund: An emergency fund serves as a financial safety net. Assess whether you have set aside three to six months' worth of living expenses. This fund is crucial for unexpected expenses during unforeseen circumstances like medical emergencies or unexpected home repairs.

401(k) or Retirement Accounts: Evaluate the growth of your retirement accounts, such as your 401(k) or any other employer-sponsored plans. Assess both your contribution rate and the performance of your investments. Have you been consistently contributing, and are you taking full advantage of any employer match programs? Examine the asset allocation within these accounts to ensure it aligns with your risk tolerance and retirement timeline.

Other Investment Portfolios: Beyond employer-sponsored plans, review any additional investment portfolios you may have, such as IRAs, brokerage accounts, or real estate investments. Assess the performance of these assets and consider whether they contribute to a well-diversified portfolio.

Debt Reduction: Evaluate your progress in reducing high-interest debts. While retirement savings are crucial, reducing high-interest debts, such as credit cards or high-interest loans, is equally important. Achieving a healthy balance between debt reduction and savings is key to financial well-being.

Education and Future Expenses: If you have children or are planning for education expenses, assess the progress of any college savings plans (e.g., 529 plans). Factor in future financial goals, such as homeownership or supporting family members, in your overall savings strategy.

Regular Monitoring: Savings milestones are not static; they require regular monitoring and adjustment. Life circumstances change, and your savings strategy should adapt accordingly. Regularly review your financial goals, adjust contributions, and ensure that your savings align with your evolving needs.

Budgeting for Retirement: Craft a Retirement Budget

Preparing for retirement involves not only accumulating savings but also understanding how those savings will be utilized during your retirement years. Crafting a retirement budget is a crucial step in this process. Here's why:

Anticipated Expenses: Identify and categorize your anticipated expenses during retirement. These may include essential costs like housing, utilities, groceries, insurance, and healthcare. Factor in lifestyle expenses, such as leisure activities, dining out, hobbies, and potential travel. By breaking down your expenses into categories, you gain clarity on where your money will go in retirement.

Healthcare Costs: Healthcare is a significant component of retirement expenses. Consider potential medical costs, including insurance premiums, co-pays, and any out-of-pocket expenses. As you age, healthcare needs may change, and planning for these changes is crucial for a comprehensive budget.

Leisure and Travel: Retirement often opens up opportunities for leisure and travel. Whether it's exploring new hobbies, joining clubs, or embarking on dream vacations, allocate funds for activities that enhance your quality of life. Travel, in particular, can be a substantial expense, so it's important to include it in your budget.

Inflation Considerations: Factor in the impact of inflation on your budget. Over time, the cost of living tends to rise, and your budget should account for these increases. Ensure that your retirement income and savings are adjusted to maintain your purchasing power over the years.



Social Security Strategies: Explore Your Options

Social Security is a foundational component of retirement income for many individuals. Understanding the nuances of Social Security and strategically planning when and how to claim benefits can have a profound impact on your financial well-being during retirement.

Timing Matters: The age at which you start claiming Social Security benefits significantly influences the amount you receive. You can claim benefits as early as age 62, but your monthly benefit increases if you wait until full retirement age (typically between 66 and 67, depending on the year you were born). Delaying claiming beyond full retirement age can further boost your benefits up until age 70.

Lifetime Income Impact: Carefully consider the trade-offs between claiming early and waiting. While claiming early provides immediate income, waiting can result in higher monthly payments for the rest of your life. This decision is highly individual, depending on your health, financial needs, and longevity expectations.

Spousal Benefits: Married individuals have the opportunity to explore spousal benefits. If your spouse has a higher earning history, you may be eligible for a spousal benefit, which is generally half of your spouse's benefit amount. This can be particularly beneficial for spouses with disparate earning histories.

Survivor Benefits: Understanding survivor benefits is crucial for married couples. In the event of a spouse's passing, the surviving spouse may be entitled to receive the deceased spouse's benefit, which could be higher than their own. Maximizing survivor benefits requires careful planning.



What is the maximum benefit?

As of 2023, the maximum social security benefit at age 62 is \$2,364/month. At full retirement age the benefit is \$3,345/month. And if you wait until age 70, it is \$4,194/month.

If you delay taking your benefits, from your full retirement age up to age 70, your monthly benefit amount will increase. If you take your benefits early, your monthly amount will be lower.

Your current financial and life situations will determine whether you should take benefits early or wait. The goal of Social Security is to supplement your retirement income, not replace it, or provide extra disposable income. Yes, you want to be sure you can cover your standard of living for your retirement goals. But improper planning can result in a lack of funds, and possibly outliving your money.

Keep this in mind as you move through this guide.

The goal of Social Security is to supplement your retirement income, not replace it, or provide extra disposable income.



Investment Diversification: Review and Enhance Your Portfolio

In the dynamic landscape of financial markets, investment diversification is a cornerstone strategy for managing risk and maximizing returns, especially when planning for retirement. Here's why it's crucial to regularly review and enhance your investment portfolio:

Balancing Risk and Reward: Diversification involves spreading your investments across different asset classes, such as stocks, bonds, real estate, and other securities. Each asset class carries its own level of risk and potential return. By diversifying, you aim to balance the overall risk and reward profile of your portfolio.

Tailoring to Your Risk Tolerance: Your risk tolerance, or your ability to endure market fluctuations, is a key factor in designing a diversified portfolio. Some individuals are comfortable with higher levels of risk, while others prefer a more conservative approach. A well-diversified portfolio aligns with your risk tolerance, ensuring that you can stay invested even during market downturns without feeling undue stress.

Retirement Timeline Considerations: The timeline to your retirement is a critical factor in shaping your investment strategy. As you approach retirement, you may adjust your portfolio to reduce exposure to more volatile assets. Diversification takes into account your retirement timeline, ensuring that your investments are aligned with your changing financial goals.

Asset Class Diversification: Within each asset class, further diversification can be achieved. For example, within the stock component of your portfolio, you might diversify across different industries, geographic regions, and market capitalizations. This minimizes the impact of poor performance in any single stock or sector.

Investing involves risk. Depending on the types of investments, there may be varying degrees of risk. Investors should be prepared to bear loss, including total loss of principal. Diversification and asset allocation strategies do not assure profit or protect against loss.



Health Care Planning: Navigate the Landscape of Healthcare Expenses

Planning for healthcare costs in retirement is not just a financial consideration; it's a key component of ensuring you have the care you need in retirement. Here's why health care planning is crucial:

Medicare Options: Understanding Medicare is paramount for retirees. Medicare is a federal health insurance program for individuals aged 65 and older, as well as certain younger individuals with disabilities. It consists of different parts, each covering specific services. It's crucial to evaluate and choose the Medicare options that align with your healthcare needs. This may include Medicare Part A (hospital insurance), Part B (medical insurance), Part C (Medicare Advantage plans), and Part D (prescription drug coverage).

Supplemental Insurance: While Medicare covers many healthcare expenses, it doesn't cover everything. Supplemental insurance, such as Medigap policies, can help fill the gaps in coverage. These policies can cover co-payments, deductibles, and other out-of-pocket expenses. Choosing the right supplemental insurance is an integral part of a comprehensive health care plan.

Long-Term Care Considerations: Long-term care is a significant aspect of health care planning. It includes services that help individuals with chronic illnesses or disabilities perform daily activities. Long-term care can be provided at home, in the community, or in various types of facilities. Planning for potential long-term care needs, including considering long-term care insurance, is crucial for preserving your financial well-being in retirement.



Estate Planning: Crafting Your Legacy

Estate planning involves much more than deciding how your assets will be distributed after you're gone. It's a holistic process that considers the management of your affairs during your lifetime and the legacy you leave behind. Here's why estate planning is a vital component of your retirement plan:

Will and Power of Attorney: A will is a foundational document in estate planning. It outlines how you want your assets distributed and may include instructions for the care of dependents. Keeping your will up to date is crucial, especially if there are changes in your family structure, such as births, marriages, or deaths.

A power of attorney is another essential document. It designates someone to make financial or healthcare decisions on your behalf if you become unable to do so. Ensuring that your power of attorney is current guarantees that someone you trust will manage your affairs in line with your wishes.

Beneficiary Designations: Review and update beneficiary designations on retirement accounts, life insurance policies, and other financial assets. These designations often override instructions in a will, making it important to align them with your current wishes.

Minimizing Taxes and Probate: Estate planning strategies can help minimize tax implications and streamline the probate process. Techniques such as setting up trusts or making strategic gifts can be employed to manage the tax impact on your estate and facilitate a smoother transfer of assets.

Planning for Incapacity: Estate planning isn't just for end-of-life considerations. It also involves planning for potential incapacity. Designating a healthcare proxy and outlining your preferences for medical treatment in advance directives ensures that your wishes are respected even if you can't communicate them.

Aligning with Your Values: Your legacy is more than just financial assets; it's a reflection of your values and the impact you've had on the world. Consider incorporating charitable giving, philanthropy, or specific instructions in your estate plan that align with your values. This ensures that your legacy extends beyond monetary assets to the causes and principles you hold dear.



Lifestyle Considerations: Designing a Retirement That Reflects You

Retirement is not just a financial event; it's a lifestyle transition. Considering your ideal retirement lifestyle is essential for creating a plan that aligns with your aspirations and brings you joy. Here's why lifestyle considerations matter:

Defining Your Retirement Aspirations: Take the time to envision your ideal retirement. What activities, hobbies, and pursuits bring you joy and fulfillment? Whether it's traveling, volunteering, starting a new hobby, or spending more time with family and friends, clearly defining your retirement aspirations forms the foundation of your plan.

Financial Alignment with Aspirations: Align your financial plan with your lifestyle aspirations. Ensure that your budget accounts for the activities and pursuits that bring you joy. Whether it's travel, pursuing hobbies, or

supporting charitable causes, integrating these elements into your financial plan allows you to allocate resources according to your priorities.

Health and Wellness: Consider how your retirement lifestyle aligns with health and wellness goals. This might involve incorporating regular physical activity, maintaining a balanced diet, and accessing healthcare resources that contribute to your overall well-being. A retirement plan that prioritizes health supports an active and fulfilling lifestyle.

Social Connections: Evaluate the role of social connections in your retirement. Whether it's spending time with family, reconnecting with old friends, or building new social circles, social engagement contributes significantly to a satisfying retirement. Factor in opportunities for social interaction and community involvement.

Flexibility and Adaptability: Recognize that retirement plans may evolve. As you navigate the various stages of retirement, your interests, preferences, and health may change. Build flexibility into your plan, allowing for adjustments that align with your evolving lifestyle considerations.

Balancing Leisure and Productivity: Retirement offers the chance to strike a balance between leisure and productivity. While relaxation and enjoyment are key, many retirees find purpose and fulfillment in continued learning, part-time work, or engaging in meaningful projects. Consider how these elements contribute to your ideal retirement mix.



Establish a Schedule for Financial Check-Ins

Life is dynamic, and change is a constant. Major life events, such as marriages, births, career changes, and health developments, can impact your financial situation and goals. Regular financial check-ins provide an opportunity to assess how these changes may influence your retirement plan.

Goal Reassessment: Your financial goals, both short-term and long-term, may shift over time. A scheduled check-in allows you to reassess these goals and determine whether they remain realistic and aligned with your aspirations. This ensures that your financial plan is a living document that grows with you.

Market Changes: Financial markets are subject to fluctuations, economic shifts, and geopolitical events. Regular check-ins provide an opportunity to assess the performance of your investments, make informed decisions based on market conditions, and reallocate assets as needed to maintain a balanced and strategic portfolio.

Tax Planning Opportunities: Tax laws and regulations evolve. Regular financial reviews offer a chance to identify tax planning opportunities and optimize your financial strategy accordingly. This may involve taking advantage of tax-efficient investment options, exploring tax deductions, or adjusting your retirement account contributions.

Lifestyle Adjustments: As your lifestyle evolves, so should your financial plan. Perhaps your spending habits change, or you decide to pursue new hobbies and interests. Regular check-ins enable you to adjust your budget and financial allocations to align with your evolving lifestyle considerations.

And last but not least...

Professional Guidance

Plan today for your tomorrow. Remember, the goal is to be sure you have a plan in place for a smooth transition to your retirement.

Still feeling unsure of your options?

Take action today for your tomorrow and [schedule a complimentary consultation.](#)



Andrew Feldman

Andrew Feldman, of Andrew Feldman Associates, is a financial consultant helping people grow their wealth, protect their wealth, and pass it on to their loved ones in a tax efficient manner.

Working with businesses and individuals taking great effort and care to help move you closer toward your goals and dreams so you can enjoy your life, live your life, without the fear of outliving your money.

[**Book A Call**](#)

Andrew Feldman Associates

Plan today for your tomorrow.

www.AndrewFeldmanAssociates.com



Investment Advisory Services offered through Investment Advisor Representatives of Cambridge Investment Research Advisors, Inc., a Registered Investment Adviser. Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a broker-dealer, member FINRA/SIPC, to residents of: AL, CA, CO, CT, FL, IL, MA, NC, NJ, NY, PA, TX, VA and VT. Certified Financial Planner Board of Standards, Inc. (CFP Board) owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™, and CFP® (with plaque design) in the U.S., which it authorizes use of by individuals who successfully complete CFP Board's initial and ongoing certification requirements. Andrew Feldman Associates, Inc. and Cambridge are not affiliated.