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RETIREMENT CONSIDERATIONS

5 TO 10 YEARS BEFORE RETIREMENT

1. Fund major expenses and purchases: home repairs, car purchase, etc.
2. Make sure that your estate planning is up to date
3. Define your lifestyle
 - a. Travel
 - b. Hobbies
 - c. Volunteering
 - d. Continue to work
4. Develop an initial estimate of retirement income required
5. Choose your target retirement date – this will facilitate planning
6. Assess the financial risks of retirement
 - a. Longer lifespan require additional savings
 - b. Health costs
 - c. Inflation
 - d. Withdrawal rates from plan assets
7. Determine shortfall in savings and adjust accordingly

3 TO 5 YEARS BEFORE RETIREMENT

1. Learn about the retirement process
 - a. Social security benefits – review benefit options and optimal timing for collecting
 - b. Setting up income stream from retirement assets
2. Assess health care needs
 - a. Medicare
 - b. Supplemental insurance
 - c. Any special needs

1 TO 3 YEARS BEFORE RETIREMENT

1. Update and fine tune your retirement budget
 - a. Adjust retirement date and/or work plans after retirement accordingly
 - b. Simplify your finances
2. Adjust to your new budget and make sure that it is realistic
3. Obtain any financing that requires a salary
 - a. Refinance mortgage
 - b. Apply for a HELOC for emergencies
4. Develop your retirement income stream
 - a. Social security
 - b. Withdrawal from retirement plan – 401(k) and profit sharing (typically no more than 4%)