

# 9 Questions to Ask Yourself Before You Retire



# Will Your Retirement Plan Go the Distance?

Retirement is on the horizon. Are you wondering if you're on track to live the stress-free retirement you have envisioned?

If you want to keep the lifestyle you've been living, enjoy time with your family, maybe do some traveling, and most importantly -- not worry about running out of money -- there are key important questions you should be asking yourself now.

**One of the best ways to control stress of any kind is to make a list and check it twice. And we have done that for you.**

Here are 9 key questions you should be asking yourself before you retire to set yourself up for a secure future.

## 9 Questions to Ask Yourself Before You Retire

### How Much Guaranteed Income Can I Count on When the Paycheck Stops?

- Download your Social Security Earnings History statement at [ssa.gov](https://ssa.gov) to estimate your SS benefit at retirement. Have a professional advisor use software tools to determine your unique SS maximization strategy.
- If you have an employer pension, have a benefit projection run for your desired retirement date. If you are married, include an option for a joint life payout. You will have to decide how to take your monthly pension payout as you near retirement.

### How Much Will I Spend Each Month in Retirement?

- Determine how much income you will need each month to maintain your current lifestyle.
- Decide on other discretionary spending, especially travel, and how long you envision those expenses continuing in retirement.
- Decide whether you want to stay in your home or cut costs and downsize.
- Decide if it's important to leave some money for your heirs.

### Have I Saved Enough to Fill My Retirement "Gap"?

- Have a professional calculate your annual Retirement Income Gap, which is the difference between your anticipated spending and your guaranteed income, plus your discretionary spending. This gap has to be filled with investment income.
- Make a list of all of your bank, investments and retirement accounts and your monthly savings rate.

- Use a simple 4% withdrawal rate to see if you have enough saved to cover the Gap, or hire a professional financial planner to create more detailed calculations and make sure you're ready.
- Plan for you (and your spouse) to live 30 years in retirement. You don't want to be 85 and broke.
- Anticipate inflation – you will need increasing income to keep up with increasing costs.

### **Are My Investments Too Risky?**

- Learn about “sequence of returns investment risk”, which is the risk that the markets correct in your first few years of retirement. You have no control over it, but it's a major determinant in whether your savings will last as long as you do.
- To reduce sequence of returns risk, change your investing style and segregate assets into Now, Soon and Later allocations. Keep Now assets in the bank, invest Soon assets more conservatively, and invest Later assets with more growth.

RESOURCE: [Learn more about our investment strategy at Marsh Wealth.](#)

### **Will I Be Out of Debt by the Time I Retire?**

- Set a goal to have your mortgage paid off before retirement.
- Make a plan to have any outstanding credit card debt paid off before retirement.
- Have a reasonably-new vehicle purchased and paid for before retirement.

### **Am I REALLY Sure My Taxes Will Be Lower in Retirement?**

- Learn how Social Security is taxed
- Learn about Required Minimum Distributions in your pre-tax retirement accounts.
- Understand the importance of building multiple types of taxable assets – taxable, tax-deferred and tax-free for retirement income.
- Understand the concept tax-efficient order of investment withdrawal.

### **Have I Planned for Life's Unexpected Curveballs?**

- Verify you have adequate disability insurance to protect your ability to earn and save as you head toward retirement.
- Verify you have adequate life insurance to protect your spouse's ability to pay off debt and sustain their own retirement in the event of your untimely passing before retirement.
- Have adequate umbrella liability insurance to protect your assets against lawsuits.

- Be realistic about future financial needs of your immediate family, including parents and adult children.

### **If Something Happens to Me, Have I Left my Family in a Lurch?**

- Make sure you have updated wills, financial and medical powers of attorney and health care directives in place.
- Review beneficiary forms on retirement accounts and insurance policies, knowing that these designations supersede any will.
- Communicate your plans with family members and consider an online document storage service.

### **How Much Will Health Care REALLY Cost Me Once I Stop Working?**

- Ask your employer if they provide any supplemental retiree health benefits.
- Gain an understanding of the various “Parts” of Medicare – A, B, C and D, plus the need for a Medicare supplement insurance policy.
- Learn how the cost of your Part B and D premiums are based on your income.
- Understand what percentage of your monthly retirement income should count toward out-of-pocket costs Medicare doesn’t cover.
- Decide how you’re going to pay for home health care and long-term care costs **not covered** by Medicare. Know that there is a 7 out of 10 chance you will need to pay for this type of care.

RESOURCE: [Cost of Care Survey 2019](#)

# Conclusion

Hopefully, this checklist has both educated you and inspired you to keep working toward the retirement lifestyle YOU want.

If you're not sure where to begin or you're worried you're behind, our team at Marsh Wealth can help! You can call, email or [fill out our form](#) and we can discuss more about what you envision for your retirement and how we can help you get there!

**Call us at:** 865-622-2162 or toll free at 877-884-2162

**Email us at:** [admin@marshpros.com](mailto:admin@marshpros.com)

Take the time to plan now and get educated. Your future is worth investing in.

**Learn More About How  
we Can Help You Invest  
in a Better Future**