

# Retirement Worksheet

## Part 1

*How much do I need for retirement?*

	Example	Yourself
1. Estimated living expenses <i>Use 70% of current expenses</i>	\$ 50,000	_____
2. Estimated retirement income:		
a. Social Security	\$ 16,000	_____
b. Pension plan	\$ 10,000	_____
c. Other income	\$ 10,000	_____
3. Total estimated income <i>Add lines a,b,c.</i>	\$ 36,000	_____
4. Retirement shortfall <i>Subtract line 3 from line 1.</i>	\$ 14,000	_____
5. Estimated years of retirement <i>(Estimated life expectancy of 90 years)</i>	25	_____
6. Assumed average rate of return from your investment during retirement. <i>(7% represents a conservative portfolio)</i>	7%	_____
7. Average rate of inflation	5%	_____
8. Net inflation adjusted rate of return <i>Subtract line 7 from line 6.</i>	2%	_____
9. Assumed return factor <i>From Table A</i>	19.52	_____
10. Retirement goal at age 65 <i>Multiply line 9 by line 4.</i>	\$ 273,280	_____

# Retirement Worksheet

## Part 2

*How much money do I need to put aside each year to meet my retirement goal?*

		<b>Example</b>	<b>Yourself</b>
1.	Your current account balance	\$ 30,000	_____
2.	Assumed average rate of return prior to retirement. <i>(8% to represent diversification of portfolio)</i>	8%	_____
3.	Assumed average rate of inflation	5%	_____
4.	Net inflation adjusted return <i>Subtract line 3 from line 2.</i>	3%	_____
5.	Number of years until retirement	20	_____
6.	Assumed return factor <i>From Table B</i>	1.81	_____
7.	Projected value of current savings <i>Multiply line 1 by line 6.</i>	\$ 54,300	_____
8.	Retirement Goal <i>Insert line 10 from previous worksheet.</i>	\$ 273,280	_____
9.	Retirement goal shortfall <i>Subtract line 7 from line 8.</i>	\$ 218,980	_____
10.	Assumed Discount Factor <i>From Table C</i>	.037	_____
11.	Annual savings required to meet goal <i>Multiply line 9 by line 10.</i>	\$ 8102.26	_____

<b>Table A</b>	
Years of Retirement	Net Return Factors (2%)
15	12.85
16	13.58
17	14.29
18	14.99
19	15.68
20	16.35
21	17.01
22	17.66
23	18.29
24	18.91
25	19.52
26	20.12
27	20.71
28	21.28
29	21.84
30	22.40

<b>Table B</b>	
Years until Retirement	Assumed Return Factors (3%)
15	1.56
16	1.60
17	1.65
18	1.70
19	1.75
20	1.81
22	1.92
24	2.03
26	2.16
28	2.29
30	2.43
32	2.58
34	2.73
36	2.90
38	3.07
40	3.26

<b>Table C</b>	
Years until Retirement	Net Inflation-Adjusted Return Figure (3%)
15	0.053
16	0.049
17	0.045
18	0.042
19	0.039
20	0.037
22	0.032
24	0.029
26	0.025
28	0.023
30	0.021
32	0.019
34	0.017
36	0.015
38	0.014
40	0.013