

RETIREMENT PLANNING CHECKLIST

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Plan Well



Define Your Lifestyle

Create a Shared Vision

Talk with your spouse and create a shared vision for retirement. Factor in proximity to family, what an average day entails, and the goals you will pursue.

Keep Your Calendar Full

Consider how you will spend your weekdays when you no longer have to report to work. Can you take a phased retirement? Volunteer? What hobbies will you take up?

Estimate Expenses

Build a budget and category expenses to needs and wants. Track it for three months, make adjustments as needed, and consider expenses that will change in retirement, such as taxes and healthcare.

Pay Down Bad Debts

Some debts, like a reasonable mortgage, are ok to carry. Other debts, such as credit cards and personal loans, must be paid off prior to retirement

Pick a Retirement Date

You need a target. The goal will keep you focused, and your employer will appreciate the heads up.

Plan Social Security

- You earn the most by waiting to age 70 to claim, but you must live to your early 80s for this to be worthwhile. Consider your longevity.
- Your claiming strategy impacts survivor benefits. Plan jointly with your spouse
- Your spouse may be eligible for benefits based on your earnings record. Consider how spousal planning strategies can be used to maximize your benefit.
- Benefits can be withheld if you retire before your full retirement age and continue to work. Evaluate carefully.
- Up to 85% of your benefits may be taxable.
- Weigh the impact of increased portfolio withdrawals if you retire early and delay claiming social security..



Determine Your Guaranteed Income

Add all of your annuities, pensions, and social security together to determine your guaranteed income.

Calculate Shortfall

Subtract the expenses you marked as "needs" from your guaranteed income. Carefully consider the appropriateness of an annuity or conservative spend down strategy if there is a shortfall.

Factor in the Extras

Consider your "wants". If your nest egg isn't enough to cover this, think of working longer, saving more, or cutting back on some of the extras. Remember, it's not wise to try and invest your way out of a spending shortfall.

Max your Retirement Accounts

You're in your peak earning years immediately before retirement. Don't miss out on an opportunity to max out your workplace retirement plan(s).

Consolidate Accounts

Consolidate your accounts where possible to keep things simpler and to make your life easier. Factor in costs and expenses before moving assets.



Build For Risk

Don't take on more risk than required. You don't have the time to bounce back like you used to. Ensure your allocation matches your goals.



Assess Your Spend Down Rate

Generally, you don't want to withdraw more than 4% of your portfolio in any given year. If the annual shortfall between your guaranteed income sources and expenses is greater than 4% of your portfolio, consider spending less, saving more, working longer, or some combo thereof.



Consider Asset Location

Its usually preferable to hold income-producing assets in tax-deferred accounts and growth-oriented assets in tax free and non-qualified accounts. Optimizing where you choose to hold certain securities can have a favorable impact on your portfolio..



Develop a Withdrawal Strategy

The timing of when you choose to withdraw from certain account types and the order in which you liquidate certain types of securities has been shown to have an impact on portfolio longevity. Work with an advisor to help create and stress test a distribution strategy.





Plan for a Coverage Gap

Make arrangements for healthcare if you retire before age 65. Consider using a spouse's plan, taking COBRA, shopping the exchanges, or a retiree health plan (if eligible).

Understand Medicare

Medicare comes in four parts:

- **Part A** - Hospital Insurance (no premium)
- **Part B** - Physician Services (means tested, variable rates based on annual income)
- **Part C** - Medicare Advantage Plans (private insurance offered through approved providers, similar to a PPO)
- **Part D** - Prescription Drug Coverage (also means tested like Part B)



Review Medicare Supplements

Medicare has limits. Explore supplement plans to fill in the gaps and shortfalls to traditional Medicare if you don't select an Advantage Plan.

Get Comfortable with the Risks

Consider a longer than expected lifespan, overly conservative investing, increasing tax rates, aggressive withdrawals, general market risk, and increasing healthcare costs when thinking through your plan.

Plan for Incapacity

Who will look after you if you can no longer care for yourself? Traditional medical coverage will not pay for custodial care. Explore Long-Term Care Insurance as a hedge.

Keep your Beneficiaries up to Date

Its a simple act that will make everyone's lives easier when you pass on

Name a Power of Attorney

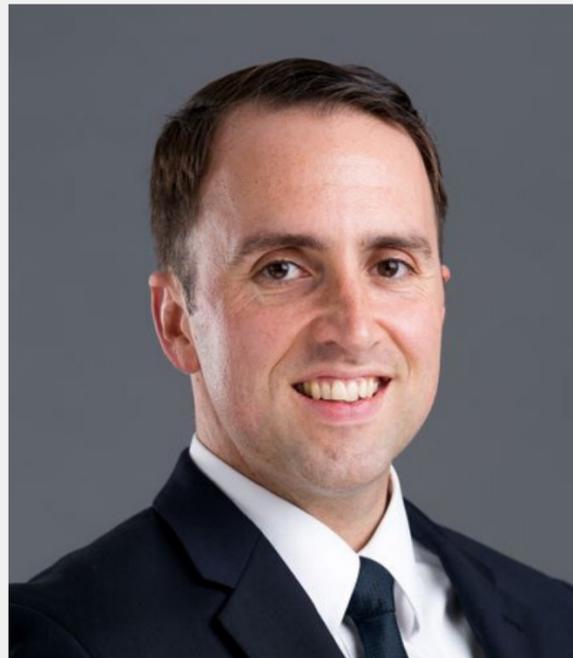
Consider giving a trust individual your power of attorney, which will allow them to act on your behalf should you reach a stage where you are no longer able to do so.

Meet The Team



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