

Dolans' Retirement Planning Worksheet

Step One: Total Income You'll Require in Retirement

- a. \$ _____ Income needed annually in retirement (current income x .70)
- b. _____ Growth Multiplier (where number of years until retirement intersects with 4% in Table 1)
- c. \$ _____ Inflation-adjusted income (1a x 1b)
- d. _____ Future Value Multiplier (where life expectancy in retirement intersects with 4% in Table 2)
- e. \$ _____ Total amount of income needed in retirement (1c x 1d)

Step Two: Total Amount You Expect to Collect From Social Security

- a. \$ _____ Amount expected from S.S. from form SSA-7004 (for our example, we'll use today's maximum benefit for couples, \$20,304)
- b. \$ _____ Inflation-adjusted S.S. benefits (2a x 1b)
- c. \$ _____ Future value of S.S. benefits, adjusted for inflation, during retirement (2b x 1d)

Step Three: Total Amount You Expect to Collect From Pension

- a. \$ _____ Amount expected from pension (current salary ÷ 3)
- b. \$ _____ Inflation-adjusted value of pension (3a x 1b)
- c. \$ _____ Total value of pension benefits, adjusted for inflation, during retirement (3b x 1d)

Step Four: Income You Need to Generate

- a. \$ _____ Total future value of S.S. and pension benefits (2c + 3c)
- b. \$ _____ Total income needed during retirement in addition to S.S. and pension benefits (1e - 4a = income shortfall)
- c. _____ Savings Factor (where life expectancy in retirement intersects with savings factor in Table 3)
- d. \$ _____ Money needed to meet shortfall (4b x 4c)

Step Five: Savings Portfolio vs. Income

- a. \$ _____ Current Savings
- b. _____ Portfolio Multiplier (where number of years until retirement intersects with 8% in Table 1)
- c. \$ _____ Expected value of portfolio at retirement (5a x 5b)
- d. \$ _____ Additional savings needed before retirement (4d - 5c)

Step Six: Amount You Need to Save each Year for Retirement

- a. _____ Future Value Multiplier (where number of years until retirement intersects with 8% in Table 2)
- b. \$ _____ Amount you need to save each year before retirement (5d ÷ 6a)

Table 1 Growth Table			Table 2 Future Value Table			Table 3 Savings Factor Table	
What \$1 will grow to, at various interest (or inflation) rates			What \$1 received or invested at the end of the year will grow to, at various interest (or inflation) rates			For each \$1 you'll need in retirement, here's the amount you should raise before you retire	
Year	4%	8%	Year	4%	8%	Life expectancy at retirement	Savings Factor
1	1.04	1.08	1	1.00	1.00	25	.43
2	1.08	1.17	2	2.04	2.08	20	.49
3	1.12	1.26	3	3.12	3.25	15	.57
4	1.17	1.36	4	4.25	4.51	10	.67
5	1.22	1.47	5	5.42	5.87	5	.80
10	1.48	2.16	10	12.01	14.49		
15	1.80	3.17	15	20.02	27.15		
20	2.19	4.66	20	29.78	45.76		
25	2.66	6.85	25	41.64	73.10		
30	3.24	10.05	30	56.04	113.15		
35	3.94	14.76	35	73.44	171.20		