

THE ULTIMATE RETIREMENT CHECKLIST

~ Curated and condensed from "The Ultimate Retirement Guide for 50+" by Suze Orman

First Steps to Freedom

- List your personal financial goals that you wish you had more money to devote to.
- Make paying for your retirement a priority over tomorrow's child's college fund.
- Start working on your plan for how you will keep working until you are 70.
- Make it your goal to retire debt free.
- Spend less by focusing on living below your means.
- Seek out professional help if it will give you the confidence and calm that will allow you to enjoy your retirement. However, never hire someone you do not have 100% confidence in. Trust your gut and keep looking.

Home Sweet Home

- Assess whether your current home is a good financial, physical, and emotional fit for an older you. Will it be safe and practical for an older you?
- If you intend to stay put, pay off the mortgage before you retire.
- If you need to renovate for an older you, do it sooner rather than later.
- Make sure you will be able to afford the rising cost of property tax, maintenance, and insurance if you stay in your current home.
- Explore moving and new living arrangements that could bolster your financial security: new location, living with children or friends, or in a retirement community.
- If it is practical and you plan to move, take advantage of the current strong housing market.



Safety Net

- Research long-term care insurance.
- Enroll in Medicare at 65 and consider purchasing supplemental Medicare coverage.
- Review your Medicare choices every year.

Make It Last

- Focus your retirement plan on living until at least age 95.
- Set a plan for how you will handle a bear market in your 60s.
- Estimate your monthly income in retirement.
- Plan for your living costs to rise - a lot - over a 20- to 30-year retirement.
- Aim to cover essential living costs from guaranteed income sources (Social Security, pensions, income annuities).
- Keep at least two years of living expenses in cash if you won't cover everything from guaranteed income.
- Consider saving in tax-free retirement accounts: Roth 401(k), Roth IRA, Health Saving Account.
- Decide whether a 401 (k) rollover to an IRA account makes sense.
- Make it your goal to wait until age 70 to start receiving your Social Security retirement benefit.
- Be very careful if you are tempted to take a lump-sum payout from a pension.
- Choose the 100% joint and survivor option for a pension if you are married and your spouse is not in good health.
- Be open to income annuities (the "good" annuities) as a way to create more guaranteed income.
- Be ready to take your annual RMDs once you turn 70 1/2 if born on or before 6/30/1949, or 72 if you were born after that date.
- Consider reinvesting some of your RMDs retirement.
- Don't bail on stocks: They offer the best chance of inflation-beating gains.



- Aim for a mix of stocks and bonds that you can stick with through good and bad markets.
- Create a diversified portfolio with low-cost index mutual funds and exchange-traded funds.
- Use a total stock market fund or ETF as the core of your stock investments.
- Use dividend stocks in moderation.
- Focus on high-quality bonds: Treasuries, TIPS, and (in moderation) municipal bonds.

Caring for Others

- Consider how reducing your financial support for others (need, not want, of adult children, grandchildren, and parents) will enable you to achieve your ultimate retirement to support you later on.
- Make sure you are helping your adult child become financially independent.
- Consider caregiving options for elderly parents that do not imperil your own retirement security.
- Create a living revocable trust to manage your finances today and make it easy (and private) for your loved ones when you die.
- Use a will as a complement to a trust; it is where you spell out who will inherit your nonfinancial possessions.
- Spell out your final wishes about medical care as you age in an advance directive and appoint someone you trust as your health care proxy.
- Have a power of attorney for finances drawn up; it is often required if you want someone to help you manage your bills and investments.
- Consider sharing your financial life with your appointed "successor trustee" sooner rather than later; it can make everyone's life easier.

