

RETIREMENT EXPENSE WORKSHEET



Many people underestimate their expenses. Use this worksheet as a tool to help you meet your retirement goals. It is always a good idea to track your expenses for a few months to make sure your estimates are aligned with your actual expenses.

Name: _____

ONGOING EXPENSES

Expense	Monthly	Annual
Taxes (Variable with Income)		
Federal	\$	\$
State	\$	\$
Local	\$	\$
TOTAL TAXES	\$	\$
Household (Essential)		
Mortgage/Rent	\$	\$
Property Taxes	\$	\$
Maintenance	\$	\$
Home/Renter's Insurance	\$	\$
Electricity	\$	\$
Oil/Gas	\$	\$
Water/Garbage/Sewer	\$	\$
Telephone/Cell Phone	\$	\$
Cable/Internet	\$	\$
Other:	\$	\$
Total	\$	\$
Automobile & Transportation (Essential)		
Car Payment	\$	\$
Maintenance/Repairs	\$	\$
Gasoline	\$	\$
License/Registration	\$	\$
Insurance	\$	\$
Other:	\$	\$
Total	\$	\$
Living Expenses (Essential)		
Food	\$	\$
Clothing	\$	\$
Beauty/Barber	\$	\$
Other:	\$	\$
Total	\$	\$

Expense	Monthly	Annual
Medical/Health (Essential)		
Health Insurance	\$	\$
Life Insurance	\$	\$
Long-Term Care Insurance	\$	\$
Disability Insurance	\$	\$
Medical Expenses	\$	\$
Dental Expenses	\$	\$
Other:	\$	\$
Total	\$	\$
Family Care (Essential)		
Parent/Child Care	\$	\$
Education	\$	\$
Clothing	\$	\$
Other:	\$	\$
Total	\$	\$
TOTAL ESSENTIAL		
Discretionary		
Entertainment	\$	\$
Dining Out	\$	\$
Hobbies	\$	\$
Publications	\$	\$
Education	\$	\$
Traveling/Vacations	\$	\$
Charitable Donations	\$	\$
Gifts	\$	\$
Professional/Social Dues	\$	\$
Gym Membership	\$	\$
Other:	\$	\$
Other:	\$	\$
TOTAL DISCRETIONARY	\$	\$
TOTAL EXPENSES	\$	\$

ONE-TIME EXPENSES (E.G., WEDDING, COLLEGE TUITION)

Expense	Amount
	\$
	\$
	\$

Expense	Amount
	\$
	\$
	\$

Profiling Your Expenses

Before you can decide how to fund your retirement expenses, you need to know the types and sizes of these expenses.

This information will help you determine your required retirement income. Some of your income will likely come from fixed sources (e.g., Social Security, pensions, annuities), but for most people, the majority of retirement income will come from portfolio withdrawals. Knowing how much retirement income you need will allow you and your financial professional to invest your portfolio for the highest probability of success in retirement.

Essential vs. Discretionary Expenses

Spending on such things as housing, utilities, food, clothing and basic healthcare is typically considered essential. In other words, these are expenses that you must pay. Spending on things like travel, entertainment and gifts is typically considered discretionary and can be forgone or reduced if necessary.

One-Time Expenses

While the majority of your required retirement income will be for ongoing expenses, many retirees will face one-time expenses, such as contributing to a child's wedding or grandchild's college tuition. If you consider and account for these liquidity needs up front, you are less likely to need to adjust your ongoing expenses in order to pay for a one-time expense.

Questions to Consider

It is important to itemize and categorize your anticipated expenses. For example, you may have ongoing expenses of a specific amount, but may also have a fixed expense that lasts only a certain number of years (such as a mortgage).

Ask yourself the following questions as you complete the worksheet to help you develop a more complete and accurate set of expenses.

- ▶ How many years are remaining on your mortgage?
- ▶ Do you plan on moving or downsizing your primary residence?
- ▶ How will your health insurance premiums change once you retire?
- ▶ Will your tax situation change?
- ▶ Do you have all the insurance you need or should you budget for additional premiums (e.g., long-term care insurance)?
- ▶ Will you spend more on travel or hobbies once you have more time to devote to them?

Next Steps

If you still have a few years until retirement, there are actions you can take now which may help improve your chances of meeting your income needs in retirement. Make sure you are:

- ▶ Choosing the right time to retire.
- ▶ Exploring ways to maximize sources of income (e.g., Social Security, pensions, rental).
- ▶ Saving as efficiently as you can.

As important as it is to profile your retirement expenses before retirement, it is equally, if not more important to monitor your expenses during retirement. Your expenses will likely change over time, and your retirement income plan may need to be adjusted to reflect these changes.

By meeting regularly with your financial professional leading up to and during your retirement years, you can help ensure that your investment plan continues to meet your needs as they evolve over your lifetime.

Want to know more?  [blackrock.com](https://www.blackrock.com)

©2015 BlackRock, Inc. All Rights Reserved. **BLACKROCK** is a registered trademark of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners.

Not FDIC Insured • May Lose Value • No Bank Guarantee

Lit. No. RET-WKSHT-0115

3219A-MC-0115 / USR-5221

BLACKROCK[®]