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## Building Your Retirement Income Plan

Your ages	<u>60/58</u>	<u>61/59</u>	<u>62/60</u>	<u>63/61</u>	<u>64/62</u>	<u>65/63</u>
<b><u>Cost of Retirement</u></b>						
Mortgage	\$22,800	\$22,800	\$22,800	\$22,800	\$18,650	\$0
Real Estate Tax	8,450	8,704	8,965	9,234	9,511	9,796
Charity	750	773	796	820	844	869
Medical Insurance	1,000	1,040	10,800	11,232	11,681	9,500
Long Term Care Insurance						6,950
Retirement lifestyle	6,000	10,000	10,300	10,609	10,927	11,255
Estimated Living Expense	60,000	61,800	63,654	65,564	67,531	69,556
<b>After Tax cost of Retirement</b>	<b>\$99,000</b>	<b>\$105,116</b>	<b>\$117,314</b>	<b>\$120,258</b>	<b>\$119,144</b>	<b>\$107,927</b>
Federal Tax	16,789	17,827	19,895	20,395	20,206	18,303
State Tax	4,340	4,608	5,143	5,272	5,223	4,732
<b>Before Tax cost of Retirement</b>	<b>\$120,130</b>	<b>\$127,551</b>	<b>\$142,353</b>	<b>\$145,925</b>	<b>\$144,573</b>	<b>\$130,962</b>
<b><u>Sources of Income</u></b>						
Your Social Security	-	-	15,263	15,645	16,036	16,437
Spouse Social Security	-	-	-	-	14,423	14,784
Interest and Dividends	2,320	2,500	3,200	3,000	2,000	1,000
Your Pension(s) (reduced at age 65)	-	33,000	33,000	33,000	33,000	28,000
Spouses Pensions(s)	-	-	8,500	8,500	8,500	8,500
Your Part time wages or severance pay	135,000	-	11,500	-	-	-
Spouse wages	46,500	47,000	-	-	-	-
Payroll Taxes on salaries (deduct)	(16,737)	(3,596)	(880)	-	-	-
Savings Plan Contributions (deduct)	(18,150)	(4,700)	-	-	-	-
Severance pay taken as lump		109,038				
Payroll Taxes on severance lump		(7,161)				
Medical ESOP			9,720	10,109	10,513	8,550
Other income (example, rental property)						
<b>Income after 401k and payroll taxes</b>	<b>\$148,933</b>	<b>\$176,082</b>	<b>\$80,303</b>	<b>\$70,253</b>	<b>\$84,472</b>	<b>\$77,270</b>
<b>Retirement Income Shortfall</b>	<b>\$ 28,803</b>	<b>\$ 48,531</b>	<b>\$ (62,050)</b>	<b>\$ (75,671)</b>	<b>\$ (60,101)</b>	<b>\$ (53,692)</b>