

# The Summer Thinking List <sup>SM</sup>

IncomeInvestorPerspectives.com

2016 Edition for Income Investors: Am I prepared for retirement?

**The Summer Thinking List <sup>SM</sup> is not a test!** Highlight the 4 or 5 questions that feel most relevant to you right now *and* that you want to work on this year. Do any of these questions trigger other ideas that are not on the list? Write those down too.

## Most retirees lose their earned income earlier than they expected:

“Sixty percent of retirees retired sooner than planned. Retirees in their fifties (79 percent) are far more likely to have retired sooner than planned, when compared to older retirees. Two-thirds (67 percent) of retirees in their sixties and 53 percent of age 70-plus retirees retired sooner than planned. Across age ranges, fewer than 10 percent retired later than planned.”

Transamerica Center for Retirement Studies, April 2016

1. How would an unplanned retirement affect my financial plans? What if it happened next year? Or 5 years early? Or 10 years early?
2. What can I do now to prepare for alternate employment in case of an unplanned retirement?
3. How much will health insurance cost me until I am eligible for Medicare?
4. If I had to retire early, would I be able to maintain my life insurance?
5. Does my financial plan include provisions to amortize or pay off my debts? Are my children counting on me to help with their student loans?
6. Is my investment portfolio ready to shift from all growth to income and growth? If not, when do I need to make the shift? How do I make that shift?
7. What percentage of my earned income will I be able to replace with my investment income? Is that enough? At what rate can I safely spend principal from my portfolio? How confident am I that I will not outlive my savings?
8. How well do I understand the risks of investing in bonds? Do I understand what Duration means?
9. How well do I understand the risks of not investing in bonds?
10. Do I know how to prudently invest for dividend income? (Or do I just buy the highest dividend stocks?)
11. Have I been guilty of trying to time the markets?
12. When I retire, how involved do I want to be in the day-to-day management of my portfolio? (Am I qualified to serve as my own portfolio manager? Do I have the expertise, discipline and time required?)
13. Is my spouse, partner or heir up to speed in case I become incapacitated? What do I need to do to make sure that they are prepared?
14. Have I prepared the resources for someone else to act on my behalf?
  - ✓ Have I completed a Durable Power of Attorney for Finances?
  - ✓ Have I compiled a complete list of online accounts (investment, banking, credit, shopping, music, e-mail, etc.) with user names and passwords? Do I have a complete list of vendors with recurring charges to my accounts?
  - ✓ Who do I want to be making my healthcare decisions? Have I completed a Durable Power of Attorney for Healthcare? Have I provided my healthcare providers with permission to speak with my spouse or designees about my care?

## Make an appointment now to meet with your Advisor after Labor Day to review this list.

For additional resources go to <https://incomeinvestorperspectives.com/summer-thinking-list-for-investors/>

*The author does not provide investment, tax, legal or accounting advice. Investors should consult with their own advisor and fully understand their own situation when considering changes to their strategy, tactics or individual investments. Additional information available upon request.*

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