

Educator's

RETIREMENT PLANNING GUIDE

YOUR EASY-TO-FOLLOW
3-YEAR RETIREMENT
PLANNING CALENDAR

- 3 COMMON MISTAKES
- IMPORTANT DATES
- RETIREMENT PLANNING TIPS



**YOU ARE PREPARING STUDENTS FOR THEIR FUTURES,
LET US HELP YOU PREPARE FOR YOURS.**

Now that your retirement is approaching, you may find yourself wondering if you're as prepared as you could be.



Do you have enough savings?



Is your risk level suitable for retirement?



Do you have a will?



Are you meeting with your advisor annually to review your financial plan?

In this guide, I'll show you step by step what you need to do before you retire, when you need to do it by, and how to help avoid the most common retirement planning mistake teachers make.

AVOID THESE 3 COMMON RETIREMENT PLANNING MISTAKES



1 NOT STARTING NOW! This will likely be one of your biggest investments. Some people delay starting because they don't see it as urgent. Don't delay investing in your own hard-earned retirement! Even a small amount can have a great impact on your long-term goal.

2 NOT SAVING ENOUGH. There are three general guidelines for calculating a retirement goal:

- **THE 25 TIMES RULE:** The first way to get a quick estimate of how much retirement funding you will need is to calculate your annual expenses in retirement and plan to spend that amount for about 25 years.
- **THE 70 PERCENT RULE:** A second way to estimate your retirement needs is to plan on needing about 70 percent of your average income during your working years for as long as you live post-retirement.
- **THE 15 PERCENT RULE:** In general, saving 15 percent of your income from an early stage should give you enough to live well in retirement. Just set this money aside over the years and let it grow. Of course, if you begin saving later in life, the 15 percent rule may be too low.

3 NOT MAXIMIZING YOUR PENSION. There are a variety of strategies to help you extend the reach of your NY pension. You can use a life insurance policy to maximize the pension you select. There are tax-free inheritance options to provide for your loved ones.

3 YEARS BEFORE RETIREMENT:

Develop a Financial and Tax Plan for Retirement

- **GENERATE GENERAL PLAN FOR RETIREMENT**
 - Review current finances and create future budget
 - Remember what you're retiring to, not from
 - Explore starting a second career
- **DETERMINE NET WORTH**
 - Create an inventory of all assets and liabilities
- **REVIEW YOUR RETIREMENT STRATEGY**
 - Advantages and disadvantages of retirement dates
 - How to help maximize pension benefits
 - How to help minimize tax obligations
- **OBTAIN PROFESSIONAL ADVICE**
 - Review retirement lifestyle plans
 - Estimate financial needs
 - Review income, expenses, investments, insurance, etc.
 - Develop plans to maximize retirement contributions

2 YEARS BEFORE RETIREMENT:

Review Your Institution's Retirement Benefit Program

- **REVIEW YOUR BENEFITS PROGRAM**
 - Sick Leave Payments
 - Vacation Pay
 - Maternity / Paternity Leave
 - Retirement Incentive Pay
 - Health Benefits
 - Sabbatical Leave Policies
 - School Board Policies Affecting Retirement
- **PLAN FOR INSURANCE COVERAGES**
 - Medical
 - Dental
 - Prescriptions
 - Medicare A, B, C, and D
- **UPDATE SOCIAL SECURITY ON YOUR SALARY**
- **REVIEW TAX STRATEGY FOR FINAL YEAR**

1 YEAR BEFORE RETIREMENT:

Review Retirement Lifestyle Plans and Strategy

- **VISIT SOCIAL SECURITY FOR REVIEW**
 - Social Security benefits
 - Effects of early retirement on Social Security
- **APPLY FOR RETIREMENT ESTIMATE FORMS**
- **FINALIZE FAMILY RETIREMENT DECISIONS**

6-10 MONTHS BEFORE RETIREMENT:

Review and Update Retirement Benefits and Budget

- **EXECUTE WILLS AND TRUSTS**
- **REVIEW AND UPDATE EXACT DOLLAR VALUE OF BENEFITS AT RETIREMENT**
- **FINAL REVIEW OF TAX IMPLICATIONS**

3 MONTHS BEFORE RETIREMENT:

Update Files Related to Employment and Retirement

- **REVIEW FINAL FINANCIAL ARRANGEMENTS WITH YOUR INSTITUTION**
 - Check Rulings on Tax Deductions
 - Determine amount that can be deferred from annual retirement income

2 MONTHS BEFORE RETIREMENT:

Review Social Security Benefits

- **OBTAIN THOROUGH PHYSICAL EXAMINATION**
 - A change in health could affect your health benefits
- **VISIT SOCIAL SECURITY AND APPLY FOR BENEFITS WHERE APPROPRIATE**

1 MONTH BEFORE RETIREMENT:

Review All Your Retirement Data and Paperwork

- **ENSURE PROMPT SUBMISSION OF RETIREMENT FORMS TO APPROPRIATE PENSION AGENCIES**
- **VISIT SOCIAL SECURITY AND APPLY FOR BENEFITS WHERE APPROPRIATE**
- **REVIEW ALL TAXES PAID AND TAXES THAT MAY BE DUE**

AFTER RETIREMENT:

Make Sure You're Staying on the Right Track

- **ARRANGE FOR ROLLOVER OF ANY PENSION TAXABLE INCOME**
- **REVIEW TAX-DEFERRED PLANS THAT RELATE TO CURRENT INCOME AND TERMINATION PAY**
- **MONITOR ALL PLANS CAREFULLY**

AS YOUR FINANCIAL ADVISOR, I WILL HELP YOU NAVIGATE ALL YOUR RETIREMENT OPTIONS AND HELP YOU CHOOSE THE APPROPRIATE ONE FOR YOU.

3 years before retirement, I'll assist you with:

- Review retirement lifestyle plans
- Estimate financial needs
- Review income, expenses, investments, retirement plans, insurance, etc.
- Develop plans to help maximize retirement contribution
- Develop a three-year financial and tax plan for retirement

6-10 months before retirement, I'll assist you with:

- Determine choice of retirement options
- Maximize pension benefits and possibly create an estate from pension funds
- Review impact of decisions on beneficiaries
- Review IRS tax-shelter provisions
- Review preliminary tax liabilities
- Review retirement plan
- Review monthly finances, including:
 - retirement income
 - expenses
 - investments
 - retirement plans
 - insurance
- Determine future monthly income
- Develop final financial and tax plans

You can rest assured knowing you won't have to go it alone!



It can be very challenging creating a comprehensive retirement plan. The best solution is to focus on creating a flexible portfolio that your financial advisor can update regularly to reflect changing market conditions and retirement objectives.

Working with me as your advisor means you have a dependable source to help you plan and implement financial strategies based on what is most important in your life. I will work as your guide and advocate to help craft an effective plan designed to reflect your unique situation.

SCHEDULE YOUR RETIREMENT REVIEW

(585) 272-8470



Robert Mezzio, CRC®
CERTIFIED RETIREMENT COUNSELOR®

RobertMezzio@legendequities.com

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1425 Jefferson R, Rochester, NY 14623