Five to Ten Years Before Retirement

- Analyze your net worth. Collect information such as the following:
  - **Cash**
    - Checking
    - Savings
    - Certificates of Deposit
    - Life insurance cash value
    - Other
  - **Personal Assets**
    - Home (assessed value)
    - Cars (book value)
    - Art/collectables
    - Furnishings (depreciated value)
    - Jewelry (appraised value)
    - Other
  - **After Tax Investments**
    - IRA
    - Roth IRA
    - Mutual funds
    - Stocks
    - Bonds
    - College Savings Plan
    - U.S. Savings Bonds
    - Other
  - **Tax-deferred Retirement Accounts**
    - State Retirement Plan
    - State Deferred Compensation Plan
    - Retirement plan roll-over to IRA
  - **Liabilities**
    - Mortgage loan balance
    - Home equity loan balance
    - Car loans
    - Student loans
    - Credit card debt
    - Other

- Estimate your life expectancy as a benchmark to measure the adequacy of your retirement savings.

- Analyze your retirement savings balances. Develop or update your financial savings plan for retirement. Set specific monetary retirement date goals. Use the “catch-up” provisions to increase savings if necessary.

- Concentrate on paying off or minimizing debt. If you have a home mortgage, and your agreement allows, consider paying more toward your principal each month to accelerate your payoff date.

- Concentrate on maintaining a healthy lifestyle.

- Have an annual physical examination.

- Analyze your insurance situation. As your life circumstances change, so do your insurance needs. For example, if you are close to retirement you may no longer need long-term disability insurance. However, you may want to consider long-term care insurance.
- Review your investment portfolio annually, setting goals for allocations and earnings. Reallocate based on those goals, not on how the market is performing at a particular time.
- Consider using a variety of investment vehicles. For example, it may be wise to have both a regular and a Roth IRA. Contributions to a traditional IRA are tax deductible the year they are made and taxes are owed on distributions. Roth IRA contributions are not tax deductible but withdrawals are tax-free.
- Do some estate planning. Consider which assets you would like to pass on to beneficiaries. Then, consider getting some professional assistance in developing and plan and considering tax implications for you and your beneficiaries.
- Create or update these important legal documents:
  - Will/Trust
  - Advanced Directives (state your choices about medical treatment or name the people you want to make these decisions if you are unable to make them for yourself). In Nebraska, there are two types:
    - Power of attorney for health care, and
    - Rights of the Terminally Ill Declaration (i.e., Living Will).
- Keep current a list of beneficiary names, birth dates, Social Security numbers and contact information.
- Put all of your important papers in one place or create a summary of the information and where to find it. Make sure your family or friends know where to find it.
- Have other estate planning tools and strategies.