

5 Vital Questions To Ask Before Retirement

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Some naively think retirement is a permanent vacation, an idyllic time free of care. The reality is sometimes far different. [AdviceIQ](#) Network member Josh Patrick, a founding principal of [Stage 2 Planning Partners](#) in South Burlington, Vt., tells us how to get ready – and have a good retirement, to boot:

Retirement is one of the biggest life changes you ever make. Think through all the smaller changes also likely to happen to you. Be prepared before the big day comes.

What is next? You spent your entire adult life working. Now it's time to move from your job into retirement. Better first define what "retirement" means to you.

If you saved a reasonable amount of money, your golden years probably offer lots of options. If you didn't save much, some type of retirement job is going to be part of your equation. In all cases, you need to know expected spending for your actual retirement lifestyle. You need to prepare a realistic retirement budget.

Beyond that, to get ready for retirement, ask yourself these five vital questions:

1. Are you prepared for when the phone stops ringing? If you plan that your retirement years will include hanging out with your old co-workers, think again.

When you leave your job, the phone will stop ringing. You're going to need other people and other activities to put you in touch with new people after you stop working. Sounds harsh, perhaps, but that's just life after your career.

You'll need to build new friendships, one of the most difficult things to do in retirement. Get ready now to work at it.

2. What are your living expenses? When you retire, you might have your employer-sponsored retirement plan kick in. More likely, as traditional pensions continue to evaporate (where you are guaranteed a fixed amount based upon your job's salary) in our economy: You plan on spending what you saved in your 401(k), your individual retirement account or just in your plain old bank account.

Sooner or later, you'll also qualify for monthly Social Security benefits. Think hard about when to take Social Security, especially early payouts (as young as 62) versus waiting until you're 70. Filing at the minimum age of 62 can slash your benefits as much as 25%.

3. How will you fill your days? You spent, believe it or not, about 2,000 hours working every year. If you include commuting, that time likely jumps to closer to 2,700 hours annually.

How are you suddenly going to fill that time? Write down what you plan to do and how much time you predict the task will take. If you're like many retirees, you soon find out that playing golf and doing chores around the house doesn't fill all of your abruptly free time.

4. Where do you want to live? Real estate is about far more than your home's equity. Many people think about selling the house and moving someplace else after retiring. For example, maybe your grandchildren live in a completely different part of the country and you want to be close to them. Make sure you think first about how to build a life for yourself in a new locale.

Do you know anyone besides family there? If you want to move to a less-expensive house, does it make sense to also move to a less-expensive state?

Details well under control in your homestead might also loom large in a new area. Concerned about your health? If you have or expect eventual medical issues, do you need to modify your new home beforehand?

5. Can you afford to retire? Finally, the big question. Your considerations while still working:

- You might be eligible for retirement yet your employer might happily let you stay on.

The longer you keep working, the less in savings you need for retirement.

- If you're older than 60, finding a new job that pays the same as your current gig might be difficult.

Really analyze whether you can afford to leave the work world yet. Chances are good you'll be glad you did.