

# Guide to Setting a Retirement Spending Plan

Retirement isn't all about finances, but it's a vital piece of the equation. Without adequate planning and saving, your retirement dreams will remain just that—dreams.

What will your retirement spending plan look like? Well, it's unique for everyone. It first requires individuals and couples to take stock of their current cash flow, including:

- **Household expenses**
- **Discretionary expenditures**
- **Common utilities**
- **Taxes (both state and federal)**
- **and more.**

That's where this spreadsheet comes in handy.

An awareness exercise such as this can help you understand how you spend your money, giving you deeper insight into how you want to spend your money in the future.

We recommend entering all your fixed expenses to start, such as property taxes, mortgage, or electric bills. Then, take a second pass and record all your discretionary spending, like dining out and travel. You know that monthly wine delivery subscription you signed up for? Yep, that needs to be included, too. Finally, add in the "what if" expenses. The unexpected always happens, and it's important to account for it in this spreadsheet.

The key to this exercise is honesty. We've never seen anyone overestimate their spending habits, and it's likely that you'll be tempted to understate your monthly cash flow. Don't. As Casey says, "No one ever comes back from vacation with a pocket full of money they didn't spend." Honesty about your spending habits will help you better prepare for your future.

Careful examination of your current financial standing can help you extrapolate what's possible during retirement. Compared to today, how would you like to change your spending habits? Which areas should you spend more or less money on in retirement?

Begin thinking about what kind of lifestyle you want during retirement, too. All of this planning will help inform your retirement investment strategy, risk tolerance, and give you the tools to react appropriately when the unexpected occurs.

## Instructions

- **Only fill in cells highlighted green;** the rest will auto-populate for you.
- Take at least three passes at filling out this spreadsheet. Take your time!
- Be honest.