

## DISABILITY INCOME

Retirement @ 65

In the event of total or partial disability you may face serious financial challenges. If income from wages is reduced substantially, you and those dependent on you could be required to make radical changes in your style of living, or consume assets that will be needed for security during the retirement years.

<b>Annual income needed:*</b>	<b><u>Allen</u></b>	<b><u>Betty</u></b>	
Personal living expenses	31,539	31,539	
Itemized deductions (property tax, contrib, etc.)	7,150	7,150	DI
Home mortgage	11,280	11,280	KI
Loan payments (auto, credit card, etc)	6,060	6,060	KI-3
Insurance premium payments	1,810	2,260	
<b>Total income required</b>	<b>57,839</b>	<b>58,289</b>	

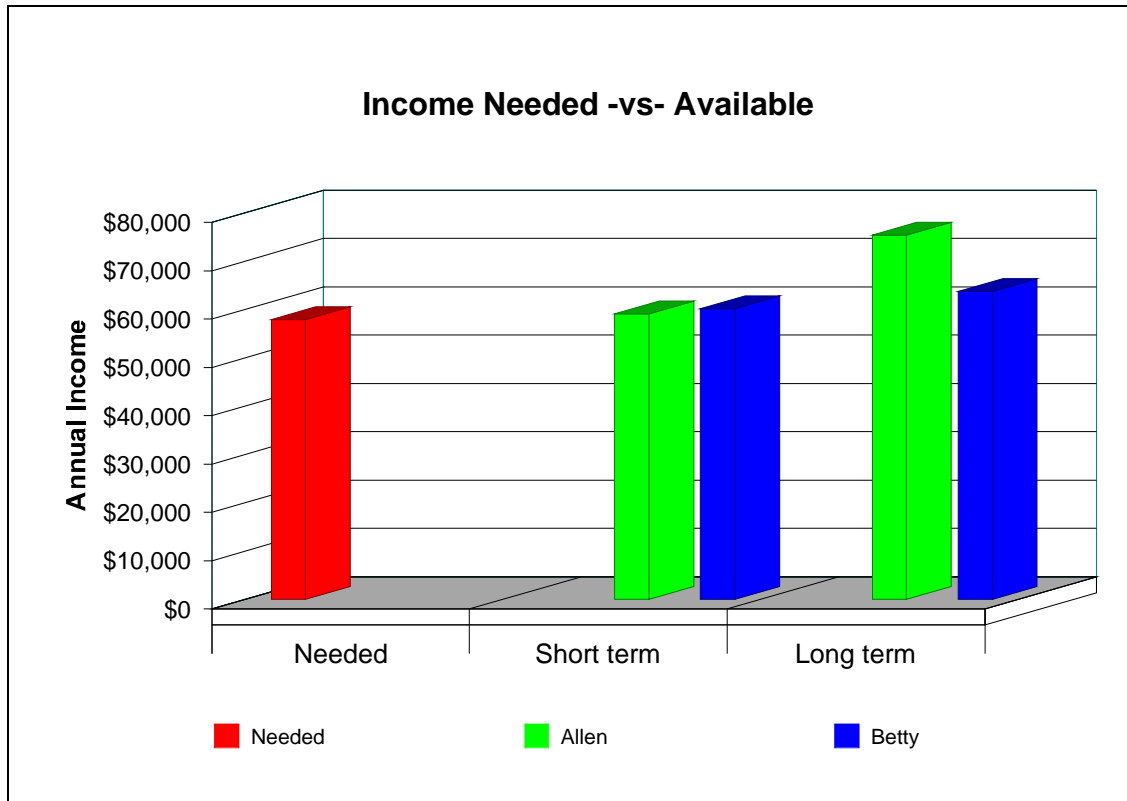
<b>Income sources while disabled:</b>	<b><u>Allen disabled</u></b>		<b><u>Betty disabled</u></b>		
	<u>Short term</u>	<u>Long term</u>	<u>Short term</u>	<u>Long term</u>	
Wages and self employment -Allen			\$71,000	\$71,000	
Wages and self employment - Betty	\$36,000	\$36,000			
Less taxes (estimated @ 28.59%.)	(11,649)	(13,364)	(21,654)	(21,654)	
Interest and dividend income	4,750	4,750	4,750	4,750	DI
Schedule E rent / partnership income					DI
Other non-taxable income					DI
Other non-taxable income					
Pension income					
Personal disability income policies	30,000	42,000	6,000	9,600	
Company disability income benefits		6,000			
<b>Total income available</b>	<b>\$59,101</b>	<b>\$75,386</b>	<b>\$60,096</b>	<b>\$63,696</b>	
<b>Income shortage per year when disabled</b>	N/A	N/A	N/A	N/A	
Income shortage per month	N/A	N/A	N/A	N/A	

If a shortage is indicated you should consider acquiring disability insurance coverage (or increasing existing policies) to provide the necessary income. Insurance company requirements may limit the amount of coverage available.

*\* The amounts needed above do not include deposits to savings and investments to build assets for your retirement years. Present annual additions equal \$9,032. The Retirement Capital report indicates additional deposits may be needed between \$2,280 and \$8,640 per year depending on the rate of return earned.*

*Note: Consult with your financial advisor and/or insurance agent about factors that may suggest additional insurance coverage.*

## DISABILITY



A short term or long term disability due to illness or injury can devastate your financial plans. At a time when you can no longer work for a living, your expenses may actually increase while your income decreases, forcing you to deplete funds that were accumulating for your financial independence in your retirement years.

Careful planning should be made to assure that you will have adequate income in the event of disability due to serious illness or accident.

	<u>Allen disabled</u>		<u>Betty disabled</u>	
	<u>Short term</u>	<u>Long term</u>	<u>Short term</u>	<u>Long term</u>
Income needed	\$57,839	\$57,839	\$58,289	\$58,289
Amount available	<u>59,101</u>	<u>75,386</u>	<u>60,096</u>	<u>63,696</u>
Additional needed	N/A	N/A	N/A	N/A

*Normal retirement at age 65*

## LONG TERM CARE

Since the turn of the century we have seen two events that have dramatically affected the need for long term care (LTC) planning for the retirement years.

- **Longer life expectancy**
- **Advances in medical treatment for the elderly**

It is not unusual to experience as many as 20 or more years in what we refer to as "retirement". During these retirement years, many people experience a period where special care is needed. The American Association of Homes for the Aging reported that two out of five individuals over age 65 will enter a care facility and stay an average of two and a half years.

The LTC facility may be a nursing home, adult day care center, assisted living facility, continuing care community, or assistance in your own home. According to the New England Journal of Medicine, the average cost of a nursing home is in excess of \$100 per day.

Medicare, Medicaid and private health policies usually cover only a small portion of the costs of long term care, if any, and even most "Medigap" policies provide little or no benefits for LTC.

In order to plan properly for the possibility of LTC expenses, a popular option is to purchase a LTC insurance policy which provides a specified daily or monthly benefit when the care is required. This enables the insured to pay a small premium now and assure a benefit in the future, when the need arises.

Current provisions in the tax laws relating to LTC insurance may allow some or all of these premiums to be tax deductible (for those who itemize deductions) and provide that the LTC benefits may, under some conditions, be received all or partially tax free.

## SURVIVOR NEEDS for Betty

F3

Retirement @ 65

This analysis is used to show the amount of life insurance needed if Allen's death occurs at Betty's age shown and benefits are provided through Betty's life expectancy. The first age is current age, the last age is 10 years prior to life expectancy. The other ages are selected midpoint ages.

<b>Betty's age when Allen dies</b>	<b>54</b>	<b>64</b>	<b>74</b>	<b>82</b>	
Annual personal expense and item. deduction	(\$42,632)	(\$61,158)	(\$87,823)	(\$117,390)	
Debt payments	(3,600)				
Insurance premiums	(960)	(847)	(1,204)	(1,586)	
<b>Total annual expenses at this age</b>	<b>(\$47,192)</b>	<b>(\$62,005)</b>	<b>(\$89,027)</b>	<b>(\$118,976)</b>	J3
<b>Income sources:</b>					
Earned income	27,996	27,996			
Pensions* & Social Security	23,660	1,714	32,289	37,538	
Other income or (expense)	(10,000)	3,312	3,312		
<b>Total sources</b>	<b>\$41,656</b>	<b>\$33,022</b>	<b>\$35,602</b>	<b>\$37,538</b>	J3
<b>Annual surplus or (shortage) this year</b>	<b>(5,536)</b>	<b>(28,983)</b>	<b>(53,425)</b>	<b>(81,438)</b>	
<b>Capital required to fund income needed</b>	<b>(\$590,070)</b>	<b>(\$785,741)</b>	<b>(\$886,658)</b>	<b>(\$786,121)</b>	F4
<b>Plus immediate cash needs:</b>					
Final expenses and other cash needs	(35,000)	(50,919)	(74,078)	(99,985)	
Estate administration and legal costs	(15,571)	(30,662)	(43,706)	(59,302)	
Residence mortgage balance	(72,000)				
Other debts balance	(4,300)				
<b>Total immediate cash requirements</b>	<b>(\$126,871)</b>	<b>(\$81,581)</b>	<b>(\$117,784)</b>	<b>(\$159,288)</b>	J5
<b>Total capital needed at Allen's death (a)</b>	<b>(\$716,942)</b>	<b>(\$867,321)</b>	<b>(\$1,004,442)</b>	<b>(\$945,408)</b>	
<b>Less assets available:</b>					
Savings and investments	356,222	635,264	689,272	723,065	C5
Allen's retirement accounts (net of tax*)	21,258	51,378	65,608	63,933	H3
Betty's retirement accounts (net of tax*)	18,135	86,462	169,511	213,874	H3
<b>Total assets available at this age:</b>	<b>\$395,615</b>	<b>\$773,104</b>	<b>\$924,391</b>	<b>\$1,000,872</b>	
<b>Insurance needed for remaining years</b>	<b>\$321,326</b>	<b>\$94,218</b>	<b>\$80,051</b>	<b>(\$55,464)</b>	
<i>An amount in parenthesis indicates a surplus amount of capital is available if death occurs at that age.</i>					
Life insurance on Allen at the age shown	60,000	60,000	60,000		J1
<b>Additional insurance needed on Allen (b)</b>	<b>\$261,326</b>	<b>\$34,218</b>	<b>\$20,051</b>		

Notes to above data:

a - This represents the amount of capital needed, sometimes referred to as the Net Present Value, at the age shown to fund all future income shortages, assuming the capital could earn 6.00% after tax each year.

b - The additional insurance needed will vary depending on when death occurs, the amount of capital available at the time of death and the number of years remaining to provide income.

\* Pensions and retirement account values have been reduced by 33.57% to account for income taxes.

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**Survivor Capital Projection for Betty**

Retirement @ 65

F4

Age	Income needed and sources					Capital needed for income	Immediate cash needs	Net assets ** +monthly add't'ns	Total life insurance needed
	Annual personal expenses*	Earned income (after tax)	Social Security & pensions	Other income or (expense)	Income surplus or (shortage)				
54	(47,192)	27,996	23,660	(10,000)	(5,536)	(590,070)	(126,871)	395,615	321,326
55	(46,094)	27,996	24,099	(10,390)	(4,389)	(619,938)	(123,272)	413,204	330,006
56	(46,824)	27,996	24,546	(21,590)	(15,872)	(652,745)	(117,970)	452,074	318,641
57	(48,156)	27,996	1,714	(11,216)	(29,662)	(676,038)	(114,100)	467,498	322,639
58	(49,925)	27,996	1,714	(11,654)	(31,869)	(686,938)	(110,644)	532,930	264,652
59	(51,761)	27,996	1,714	(12,108)	(34,159)	(696,285)	(108,152)	675,200	129,236
60	(53,664)	27,996	1,714	3,312	(20,642)	(703,903)	(103,326)	716,615	90,614
61	(55,638)	27,996	1,714	3,312	(22,615)	(725,496)	(98,184)	773,942	49,738
62	(57,685)	27,996	1,714	3,312	(24,662)	(746,410)	(92,204)	814,409	24,205
63	(59,806)	27,996	1,714	3,312	(26,783)	(766,532)	(84,509)	792,564	58,477
64	(62,005)	27,996	1,714	3,312	(28,983)	(785,741)	(81,581)	773,104	94,218
65	(64,286)		27,298	3,312	(33,676)	(803,902)	(84,396)	773,201	115,098
66	(66,652)		27,810	3,312	(35,530)	(818,461)	(87,617)	792,421	113,656
67	(69,105)		28,332	3,312	(37,461)	(832,039)	(90,953)	811,146	111,846
68	(71,650)		28,864	3,312	(39,473)	(844,500)	(94,353)	829,972	108,881
69	(74,288)		29,407	3,312	(41,569)	(855,697)	(97,873)	848,313	105,257
70	(77,025)		29,961	3,312	(43,752)	(865,470)	(101,522)	866,479	100,513
71	(79,864)		30,526	3,312	(46,025)	(873,646)	(105,350)	881,436	97,560
72	(82,807)		31,102	3,312	(48,393)	(880,040)	(109,353)	897,318	92,074
73	(85,860)		31,690	3,312	(50,858)	(884,449)	(113,492)	911,473	86,468
74	(89,027)		32,289	3,312	(53,425)	(886,658)	(117,784)	924,391	80,051
75	(92,311)		32,901	3,312	(56,098)	(886,432)	(122,235)	935,907	72,760
76	(95,717)		33,525	3,312	(58,880)	(883,520)	(126,850)	945,847	64,524
77	(99,250)		34,161	3,312	(61,777)	(877,651)	(131,636)	954,018	55,270
78	(102,914)		34,810	3,312	(64,792)	(868,534)	(136,600)	960,214	44,919
79	(106,714)		35,472	3,312	(67,930)	(855,854)	(141,747)	964,213	33,388
80	(110,656)		36,147		(74,509)	(839,275)	(147,182)	966,007	20,449
81	(114,744)		36,836		(77,909)	(815,122)	(154,633)	965,389	4,366
82	(118,976)		37,538		(81,438)	(786,121)	(159,288)	1,000,872	
83	(123,365)		38,255		(85,110)	(751,850)	(163,865)	931,100	
84	(127,916)		38,985		(88,931)	(711,851)	(165,903)	809,230	68,524
85	(132,637)		39,731		(92,906)	(665,631)	(168,096)	683,800	149,928
86	(137,534)		40,491		(97,043)	(612,662)	(171,563)	598,658	185,567
87	(142,612)		41,267		(101,346)	(552,380)	(179,031)	494,238	237,172
88	(147,880)		42,058		(105,822)	(484,177)	(185,739)	419,864	250,051
89	(153,343)		42,865		(110,479)	(407,405)	(189,026)	291,210	305,221
90	(159,010)		43,688		(115,322)	(321,371)	(192,168)	147,681	365,859
91	(164,887)		44,527		(120,360)	(225,331)	(195,501)		420,832
92	(170,984)		45,383		(125,600)	(118,491)	(203,591)		322,082
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	J3	J3	J3	J3			J2	C5	

\* Includes basic personal expenses plus insurance premiums, debt payments and itemized deductions.

\*\* Retirement account values (IRA, 401k, etc.) are reduced by 33.57% to account for income taxes.

Immediate cash needs worksheet for Betty

Retirement @ 65

J2

	Final expenses	Cash reserves	Mortgages	Other debts	Estate settlement	Other survivor cash	Total immediate cash needs
54	(15,000)	(20,000)	(72,000)	(4,300)	(15,571)		(126,871)
55	(15,573)	(20,764)	(66,746)	(2,160)	(18,028)		(123,272)
56	(16,168)	(21,557)	(61,053)		(19,192)		(117,970)
57	(16,786)	(22,381)	(54,883)		(20,050)		(114,100)
58	(17,427)	(23,236)	(48,197)		(21,785)		(110,644)
59	(18,092)	(24,123)	(40,951)		(24,985)		(108,152)
60	(18,784)	(25,045)	(33,099)		(26,399)		(103,326)
61	(19,501)	(26,001)	(24,589)		(28,093)		(98,184)
62	(20,246)	(26,995)	(15,367)		(29,596)		(92,204)
63	(21,019)	(28,026)	(5,373)		(30,090)		(84,509)
64	(21,822)	(29,096)			(30,662)		(81,581)
65	(22,656)	(30,208)			(31,532)		(84,396)
66	(23,521)	(31,362)			(32,733)		(87,617)
67	(24,420)	(32,560)			(33,973)		(90,953)
68	(25,353)	(33,804)			(35,197)		(94,353)
69	(26,321)	(35,095)			(36,457)		(97,873)
70	(27,327)	(36,436)			(37,759)		(101,522)
71	(28,371)	(37,827)			(39,152)		(105,350)
72	(29,454)	(39,272)			(40,626)		(109,353)
73	(30,580)	(40,773)			(42,140)		(113,492)
74	(31,748)	(42,330)			(43,706)		(117,784)
75	(32,960)	(43,947)			(45,327)		(122,235)
76	(34,220)	(45,626)			(47,005)		(126,850)
77	(35,527)	(47,369)			(48,741)		(131,636)
78	(36,884)	(49,178)			(50,537)		(136,600)
79	(38,293)	(51,057)			(52,397)		(141,747)
80	(39,756)	(53,007)			(54,419)		(147,182)
81	(41,274)	(55,032)			(58,327)		(154,633)
82	(42,851)	(57,135)			(59,302)		(159,288)
83	(44,488)	(59,317)			(60,060)		(163,865)
84	(46,187)	(61,583)			(58,132)		(165,903)
85	(47,952)	(63,935)			(56,209)		(168,096)
86	(49,783)	(66,378)			(55,402)		(171,563)
87	(51,685)	(68,913)			(58,432)		(179,031)
88	(53,659)	(71,546)			(60,533)		(185,739)
89	(55,709)	(74,279)			(59,038)		(189,026)
90	(57,837)	(77,116)			(57,215)		(192,168)
91	(60,047)	(80,062)			(55,392)		(195,501)
92	(62,340)	(83,121)			(58,130)		(203,591)
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**Survivor detail for Betty**

Retirement @ 65

J3

Survivor income needed				Income (or misc expenses) available						
Age	Personal expenses + item ded	Insurance premiums	Debt payments	SocSec	Own Pension (after tax)	Survivor pension (after tax)	Earned income	Other Income	Education funding	Misc income or expense
54	(\$42,632)	(\$960)	(\$3,600)	\$21,946		\$1,714	\$27,996			(\$10,000)
55	(44,196)	(982)	(915)	22,385		1,714	27,996			(10,390)
56	(45,819)	(1,006)		22,832		1,714	27,996			(21,590)
57	(47,501)	(655)				1,714	27,996			(11,216)
58	(49,246)	(680)				1,714	27,996			(11,654)
59	(51,055)	(706)				1,714	27,996			(12,108)
60	(52,931)	(733)				1,714	27,996	3,312		
61	(54,877)	(761)				1,714	27,996	3,312		
62	(56,895)	(790)				1,714	27,996	3,312		
63	(58,988)	(818)				1,714	27,996	3,312		
64	(61,158)	(847)				1,714	27,996	3,312		
65	(63,409)	(877)		25,584		1,714		3,312		
66	(65,743)	(909)		26,096		1,714		3,312		
67	(68,164)	(941)		26,618		1,714		3,312		
68	(70,675)	(975)		27,150		1,714		3,312		
69	(73,279)	(1,010)		27,693		1,714		3,312		
70	(75,979)	(1,046)		28,247		1,714		3,312		
71	(78,780)	(1,083)		28,812		1,714		3,312		
72	(81,685)	(1,122)		29,388		1,714		3,312		
73	(84,698)	(1,162)		29,976		1,714		3,312		
74	(87,823)	(1,204)		30,576		1,714		3,312		
75	(91,064)	(1,247)		31,187		1,714		3,312		
76	(94,426)	(1,291)		31,811		1,714		3,312		
77	(97,912)	(1,338)		32,447		1,714		3,312		
78	(101,529)	(1,386)		33,096		1,714		3,312		
79	(105,279)	(1,435)		33,758		1,714		3,312		
80	(109,170)	(1,486)		34,433		1,714				
81	(113,205)	(1,540)		35,122		1,714				
82	(117,390)	(1,586)		35,824		1,714				
83	(121,731)	(1,633)		36,541		1,714				
84	(126,234)	(1,682)		37,271		1,714				
85	(130,904)	(1,733)		38,017		1,714				
86	(135,749)	(1,785)		38,777		1,714				
87	(140,774)	(1,838)		39,553		1,714				
88	(145,986)	(1,894)		40,344		1,714				
89	(151,393)	(1,950)		41,151		1,714				
90	(157,001)	(2,009)		41,974		1,714				
91	(162,818)	(2,069)		42,813		1,714				
92	(168,852)	(2,131)		43,669		1,714				
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**Misc. survivor Income or Expense for Betty**

Retirement @ 65

J4

	Other single year income	Other multiple year income	Capital to be retained for heirs	Total other income (expense)
57	54			
58	55			
59	56			
60	57			
61	58			
62	59			
63	60			
64	61			
65	62			
66	63			
67	64			
68	65			
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70	67			
71	68			
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## SURVIVOR NEEDS for Allen

Retirement @ 65

This analysis is used to show the amount of life insurance needed if Betty's death occurs at Allen's age shown and benefits are provided through Allen's life expectancy. The first age is current age, the last age is 10 years prior to life expectancy. The other ages are selected midpoint ages.

<b>Allen's age when Betty dies</b>	<b>57</b>	<b>62</b>	<b>67</b>	<b>74</b>	
Annual personal expense & item. deduction	(\$42,632)	(\$51,055)	(\$61,158)	(\$78,780)	
Debt payments	(2,460)				
Insurance premiums	(1,685)	(1,156)	(847)	(1,083)	
<b>Total annual expenses at this age</b>	<b>(\$46,777)</b>	<b>(\$52,211)</b>	<b>(\$62,005)</b>	<b>(\$79,864)</b>	J6
<b>Income sources:</b>					
Earned income	56,796	56,796			
Pensions* & Social Security	10,532		29,986	34,445	
Other income or (expense)	(10,000)	(12,108)	3,322		
<b>Total sources</b>	<b>\$57,328</b>	<b>\$44,688</b>	<b>\$33,308</b>	<b>\$34,445</b>	J6
<b>Annual surplus or (shortage) this year</b>	<b>10,551</b>	<b>(7,523)</b>	<b>(28,697)</b>	<b>(45,419)</b>	
<b>Capital required to fund income needed</b>	<b>(\$273,987)</b>	<b>(\$431,256)</b>	<b>(\$494,979)</b>	<b>(\$446,990)</b>	F6
<b>Plus immediate cash needs:</b>					
Final expenses and other cash needs	(35,000)	(42,216)	(50,919)	(66,198)	
Estate administration and legal costs	(6,072)	(11,312)	(12,573)	(14,481)	
Residence mortgage balance	(72,000)	(40,951)			
Other debts balance	(3,890)				
<b>Total immediate cash requirements</b>	<b>(\$116,962)</b>	<b>(\$94,479)</b>	<b>(\$63,492)</b>	<b>(\$80,679)</b>	J5
<b>Total capital needed at Betty's death (a)</b>	<b>(\$390,949)</b>	<b>(\$525,735)</b>	<b>(\$558,471)</b>	<b>(\$527,669)</b>	
<b>Less assets available:</b>					
Savings and investments	356,222	595,863	635,264	666,721	C5
Allen's retirement accounts (after tax*)	21,258	35,152	51,378	63,890	H3
Betty's retirement accounts (after tax*)	18,135	44,185	86,462	150,826	H3
<b>Total assets available at this age</b>	<b>\$395,615</b>	<b>\$675,200</b>	<b>\$773,104</b>	<b>\$881,436</b>	
<b>Insurance needed for remaining years</b>	<b>(\$4,666)</b>	<b>(\$149,465)</b>	<b>(\$214,633)</b>	<b>(\$353,767)</b>	
<i>An amount in parenthesis indicates a surplus amount of capital is available if death occurs at that age.</i>					
Life insurance on Betty at the age shown	75,000	75,000	75,000	75,000	J1
<b>Additional insurance needed on Betty (b)</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	

Notes to above data:

a - This represents the amount of capital needed, sometimes referred to as the net present value, at the age shown to fund all future shortages, assuming that the capital could earn 6.00% after tax each year.

b - The additional insurance needed will vary depending on when death occurs, the amount of capital available at the time of death and the number of years remaining to provide income.

\* Pensions and retirement account values have been reduced by 33.57% to account for income taxes.

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**Survivor Capital Projection for Allen**

Retirement @ 65

F6

Income needed and sources					Income surplus or (shortage)	Capital needed for income	Immediate cash needs	Net** assets +monthly additions	Total life insurance needed
Age	Annual personal expenses*	Earned income (after tax)	Social Security & pensions	Other income or (expense)					
57	(46,777)	56,796	10,532	(10,000)	10,551	(273,987)	(116,962)	395,615	
58	(48,225)	56,796	10,743	(10,390)	8,924	(300,978)	(111,857)	413,204	
59	(47,549)	56,796	10,958	(21,590)	(1,386)	(327,960)	(107,299)	452,074	
60	(48,606)	56,796		(11,216)	(3,026)	(346,252)	(102,765)	467,498	
61	(50,375)	56,796		38,994	45,415	(364,001)	(98,433)	532,930	
62	(52,211)	56,796		(12,108)	(7,523)	(431,256)	(94,479)	675,200	
63	(54,114)	56,796			2,682	(449,608)	(88,782)	716,615	
64	(56,088)	56,796		(20,000)	(19,292)	(479,267)	(82,732)	773,942	
65	(57,685)		28,822	3,322	(25,541)	(488,731)	(75,767)	814,409	
66	(59,806)		29,398	3,322	(27,086)	(492,514)	(67,262)	792,564	
67	(62,005)		29,986	3,322	(28,697)	(494,979)	(63,492)	773,104	
68	(64,286)		30,586	3,322	(30,379)	(495,981)	(65,509)	773,201	
69	(66,652)		31,198	3,322	(32,132)	(495,361)	(67,838)	792,421	
70	(69,105)		31,822		(37,283)	(492,950)	(70,244)	811,146	
71	(71,650)		32,458		(39,191)	(485,244)	(72,769)	829,972	
72	(74,288)		33,107		(41,181)	(475,167)	(73,282)	848,313	
73	(77,025)		33,769		(43,256)	(462,496)	(78,092)	866,479	
74	(79,864)		34,445		(45,419)	(446,990)	(80,679)	881,436	
75	(82,807)		35,134		(47,674)	(428,391)	(83,357)	897,318	
76	(85,860)		35,836		(50,024)	(406,421)	(86,092)	911,473	
77	(89,027)		36,553		(52,474)	(380,782)	(88,893)	924,391	
78	(92,311)		37,284		(55,027)	(351,155)	(91,757)	935,907	
79	(95,717)		38,030		(57,687)	(317,198)	(94,684)	945,847	
80	(99,250)		38,790		(60,459)	(278,542)	(97,672)	954,018	
81	(102,914)		39,566		(63,348)	(234,795)	(100,720)	960,214	
82	(106,714)		40,358		(66,357)	(185,535)	(103,825)	964,213	
83	(110,656)		41,165		(69,491)	(130,311)	(106,896)	966,007	
84	(114,744)		41,988		(72,756)	(68,638)	(110,008)	965,389	
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\* Includes basic personal expenses plus insurance premiums, debt payments and itemized deductions.

\*\* Retirement account values (IRA, 401k, etc.) are reduced by 33.57% to account for income taxes.

**Immediate cash needs worksheet for Allen**

Retirement @ 65

J5

	Final expenses	Cash reserves	Mortgages	Other debts	Estate settlement	Other survivor cash	Total immediate cash needs
57	(15,000)	(20,000)	(72,000)	(3,890)	(6,072)		(116,962)
58	(15,573)	(20,764)	(66,746)	(808)	(7,966)		(111,857)
59	(16,168)	(21,557)	(61,053)		(8,521)		(107,299)
60	(16,786)	(22,381)	(54,883)		(8,716)		(102,765)
61	(17,427)	(23,236)	(48,197)		(9,574)		(98,433)
62	(18,092)	(24,123)	(40,951)		(11,312)		(94,479)
63	(18,784)	(25,045)	(33,099)		(11,855)		(88,782)
64	(19,501)	(26,001)	(24,589)		(12,640)		(82,732)
65	(20,246)	(26,995)	(15,367)		(13,159)		(75,767)
66	(21,019)	(28,026)	(5,373)		(12,843)		(67,262)
67	(21,822)	(29,096)			(12,573)		(63,492)
68	(22,656)	(30,208)			(12,645)		(65,509)
69	(23,521)	(31,362)			(12,954)		(67,838)
70	(24,420)	(32,560)			(13,264)		(70,244)
71	(25,353)	(33,804)			(13,612)		(72,769)
72	(26,321)	(35,095)			(11,866)		(73,282)
73	(27,327)	(36,436)			(14,329)		(78,092)
74	(28,371)	(37,827)			(14,481)		(80,679)
75	(29,454)	(39,272)			(14,630)		(83,357)
76	(30,580)	(40,773)			(14,740)		(86,092)
77	(31,748)	(42,330)			(14,815)		(88,893)
78	(32,960)	(43,947)			(14,849)		(91,757)
79	(34,220)	(45,626)			(14,839)		(94,684)
80	(35,527)	(47,369)			(14,776)		(97,672)
81	(36,884)	(49,178)			(14,658)		(100,720)
82	(38,293)	(51,057)			(14,475)		(103,825)
83	(39,756)	(53,007)			(14,133)		(106,896)
84	(41,274)	(55,032)			(13,702)		(110,008)
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**Survivor detail for Allen**

Retirement @ 65

J6

Survivor income needed				Income (or misc expenses) available						
Age	Personal expenses + item ded	Insurance premiums	Debt payments	SocSec	Own Pension (after tax)	Survivor pension (after tax)	Earned income	Other Income	Education funding	Misc income
57	(42,632)	(1,685)	(2,460)	10,532			56,796		(10,000)	
58	(44,196)	(1,707)	(2,321)	10,743			56,796		(10,390)	
59	(45,819)	(1,731)		10,958			56,796		(21,590)	
60	(47,501)	(1,105)					56,796		(11,216)	
61	(49,246)	(1,130)					56,796		(11,654)	50,648
62	(51,055)	(1,156)					56,796		(12,108)	
63	(52,931)	(1,183)					56,796			
64	(54,877)	(1,211)					56,796			(20,000)
65	(56,895)	(790)		24,109	4,713					3,322
66	(58,988)	(818)		24,591	4,808					3,322
67	(61,158)	(847)		25,083	4,904					3,322
68	(63,409)	(877)		25,584	5,002					3,322
69	(65,743)	(909)		26,096	5,102					3,322
70	(68,164)	(941)		26,618	5,204					
71	(70,675)	(975)		27,150	5,308					
72	(73,279)	(1,010)		27,693	5,414					
73	(75,979)	(1,046)		28,247	5,522					
74	(78,780)	(1,083)		28,812	5,633					
75	(81,685)	(1,122)		29,388	5,745					
76	(84,698)	(1,162)		29,976	5,860					
77	(87,823)	(1,204)		30,576	5,978					
78	(91,064)	(1,247)		31,187	6,097					
79	(94,426)	(1,291)		31,811	6,219					
80	(97,912)	(1,338)		32,447	6,343					
81	(101,529)	(1,386)		33,096	6,470					
82	(105,279)	(1,435)		33,758	6,600					
83	(109,170)	(1,486)		34,433	6,732					
84	(113,205)	(1,540)		35,122	6,866					
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J7

Misc. survivor Income or Expense for Allen

Retirement @ 65

J7

		Other single year income	Other multiple year income	Capital to be retained for heirs	Total other income (expense)
57	54				
58	55				
59	56				
60	57				
61	58	50,648			50,648
62	59				
63	60				
64	61	(20,000)			(20,000)
65	62		3,322		3,322
66	63		3,322		3,322
67	64		3,322		3,322
68	65		3,322		3,322
69	66		3,322		3,322
70	67				
71	68				
72	69				
73	70				
74	71				
75	72				
76	73				
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81	78				
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102	99				
103	100				
104	101				

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<b>LIFE INSURANCE</b>
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Retirement @ 65

<u>Insured</u>	<u>Company</u>	<u>Description</u>	<u>Face amount</u>	<u>Annual premium</u>	<u>Cash value</u>
Allen	Met Life	Whole Life	100,000	1,900	4,800
Allen	NWML	WL	60,000	650	1,175
		Total	160,000	2,550	5,975
Betty	Aetna	Group Term	20,000		
Betty	ANLIC	5 year term	75,000	375	
		Total	95,000	375	

Cl age	Sp age	Death Benefit				Premiums	
		Allen		Betty		\$650	\$375
		Group/Term	Permanent	Group/term	Permanent	Allen	Betty
57	54		60,000	75,000		650	375
58	55		60,000	75,000		650	375
59	56		60,000	75,000		650	375
60	57		60,000	75,000		650	375
61	58		60,000	75,000		650	375
62	59		60,000	75,000		650	375
63	60		60,000	75,000		650	375
64	61		60,000	75,000		650	375
65	62		60,000	75,000		650	375
66	63		60,000	75,000		650	375
67	64		60,000	75,000		650	375
68	65		60,000	75,000		650	375
69	66		60,000	75,000		650	375
70	67		60,000	75,000		650	375
71	68		60,000	75,000		650	375
72	69		60,000			650	
73	70		60,000	75,000		650	2,315
74	71		60,000	75,000		650	480
75	72		60,000	75,000		650	1,120
76	73		60,000	75,000		650	1,120
77	74		60,000	75,000		650	1,120
78	75		60,000	75,000		650	1,120
79	76		60,000	75,000		650	1,120
80	77		60,000	75,000		650	1,120
81	78		60,000	75,000		650	1,120
82	79		60,000	75,000		650	1,120
83	80		60,000	75,000		650	1,120
84	81		60,000	75,000		650	1,120
85	82			75,000			1,120
86	83			75,000			1,120
87	84			75,000			1,120
88	85			75,000			1,120
89	86			75,000			1,120
90	87			75,000			1,120
91	88			75,000			1,120
92	89			75,000			1,120
93	90			75,000			1,120
94	91			75,000			1,120
95	92			75,000			1,120
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98	95						
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100	97						
101	98						
102	99						
103	100						
104	101						