

Retirewise[®]

Exercise Booklet



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Budget worksheet Monthly expenses	Current		Retirement	
	Needs	Wants	Needs	Wants
Housing and related expenses				
Rent / mortgage				
Real estate association fees / maintenance fees				
Property taxes				
Heat / AC / electric				
Water / sewer / garbage				
Phone				
Home maintenance and repairs				
Cable / internet				
Other				
Housing total:				
Transportation expenses				
Car payments				
Car insurance				
Other car related costs (registration, license)				
Car maintenance and repairs				
Gas				
Public transportation (rideshare, parking)				
Other				
Transportation total:				
Personal expenses				
Groceries				
Restaurant / takeout				
Personal care (hair, nails)				
Clothing				
Memberships / subscriptions (gym, Netflix, Spotify)				
Entertainment / vacations				
Charitable contributions				
Gifts				
Pet care				
Savings (emergency, retirement)				
Credit card(s)				
Loans (personal, student)				
Other:				
Personal total:				
Medical expenses / insurance premiums				
Medical (copays, prescriptions)				
Eye care (glasses, contacts, exams)				
Health insurance				
Dental insurance				
Life insurance				
Long term care insurance				
Disability income insurance				
In-home care services				
Other				
Medical / Insurance total:				
Total monthly expenses:				

Envision your retirement—Part 1

Place

If you were living your vision of the good life, and had enough resources to do what you love doing, where would you live? What would your lifestyle be like?

Work

If you had the resources, would you work or volunteer? Would you go to school? What would you study? What type of hobbies or creative expression would you like to pursue?

People

Who would you spend your time with? Who is in your support system? Do you have other resources to build additional supports, should you need them? What would you do?

Purpose

If you had the resources, would you like to leave a legacy? What type of personal and/or financial legacy would you like to leave? How would you like to make a difference in the world?

Envision your retirement— Part 1

Risk tolerance assessment

Risk tolerance assessment

To measure your risk tolerance, **circle a number for each item, then add up the numbers*** to determine a risk tolerance score.

Circle one number for each question:

I have a short investment time horizon, few years until I'll need most of my money.	< 1 2 3 4 >	I have a long investment time horizon, many years until I'll need most of my money.
I try to minimize the risk of investment losses, both long term and short term.	< 1 2 3 4 >	I'm willing to tolerate short-term losses to earn higher long-term returns.
I would feel great if a very conservative investment allocation kept me from losing money when the stock market declined.	< 1 2 3 4 >	I would feel great if an aggressive investment allocation allowed me to make large investment gains when the stock market increased dramatically.
In choosing between investments, my primary goal is to not lose any principal contributed to my account.	< 1 2 3 4 >	In choosing between investments, my primary goal is to earn as high a rate of return as possible.
I'm willing to contribute a greater percentage of my salary, so I can invest conservatively and avoid risk.	< 1 2 3 4 >	I'm willing to risk losing my principal for the chances of earning higher returns over time, so I can reduce my monthly contributions.
I would be very upset if my quarterly or annual return were negative.	< 1 2 3 4 >	I could accept a quarterly or annual negative return, if my aggressive allocation gave the chance for higher long term returns.
If the stock market dropped 10% over a few days, I'd probably move my savings out of stocks to keep from losing more money.	< 1 2 3 4 >	If the stock market dropped 10% over a few days, I'd probably move more of my savings into stocks to get in on the next market increase.
The time horizon and cost of my goals are not flexible, so unexpected investment losses would be a difficult setback for me.	< 1 2 3 4 >	The time horizon and cost of my goals are flexible, so unexpected investment losses would only mean delaying the goal or spending less on it.

*If you don't answer all of the questions, divide your score by the number of items answered and multiply by 8.

Add up your risk tolerance score _____



Risk tolerance scores range from 8 to 32; a moderate score is 20. A low risk tolerance score may suggest putting more money in conservative investments that have lower volatility and risk. A high score may suggest a tolerance for putting more money in aggressive investments that have higher volatility and risk.

How diversified are your holdings?

How diversified are your holdings?

You can have investments in stocks, bonds, and cash equivalents in a number of places: your employer plans, mutual funds, and brokerage accounts. While you may have a diversification strategy in each account, have you considered how diversified you are overall? Start by completing this worksheet, writing in how much you have in each asset class in all your current investments. Then determine your overall diversification.

	Stocks	Bonds	Cash Equivalents
Employer Plans	\$	\$	\$
Personal Retirement Plans	\$	\$	\$
Mutual Funds	\$	\$	\$
Individual Securities	\$	\$	\$
Total	\$	\$	\$

1.	Total in all three categories	\$
2.	Calculate percentage in stocks (Total invested in stocks column divided by answer in #1)	\$
3.	Calculate percentage in bonds (Total invested in bonds column divided by answer in #1)	\$
4.	Calculate percentage in cash equivalents (Total invested in cash equivalents column divided by answer in #1)	\$

Envision your retirement— Part 2

Envision your retirement—Part 2

The following questions may help make your vision of retirement more tangible and help put perspective on things that are important to you and help you.

Place

1. Do you plan on living where you are or do you plan to relocate?

- Remain where I am
- Move within the same community to a different home
- Move to a different location (e.g., near children, grandchildren, etc.)
- 50+ community
- Other

2. What type of home environment do you plan on living in?

- House
- Apartment, condo
- 50+ community
- Other

3. How will the cost of living compare to what you are accustomed to?

- More
- Less
- No change

4. What are your travel plans? What annual travel costs do you anticipate?

5. As you look ahead, does your vision offer you the right climate, adequate transportation, healthcare services, and feelings of safety?

- Yes
- No

6. If your health were to affect your lifestyle, where and how would you like to receive any necessary care?

- At home from a family member
- At home from a home care worker
- Assisted living facility/community
- Adult day care programs
- Continuing Care Community
- Nursing home

7. Have you thought about the costs associated with the type of care you may need and how you would cover the expenses?

- Yes
- No

People

1. Will you have family, friends, and a support system in the place where you plan to retire?

- Yes
- No

2. If not, do you make new friends easily?

- Yes
- No

3. Will your retirement plans include travel?

- Yes
- No

4. At your planned age of retirement, will you anticipate being responsible for anyone, or helping anyone financially?

- Yes
- No

5. If yes, for whom?

- Spouse
- Child (adult or minor)
- Grandchildren
- Elderly parent(s)
- Other

6. How important is it to you to leave an inheritance?

1 2 3 4 5
Not Very Critically Important

health concerns or family health history that worries you, or may impact your lifestyle in the future?

- Yes
- No

8. If yes, is there anything additional you should plan for?

9. Are you currently a caregiver for a loved one?

- Yes
- No

10. If yes, for whom?

- Spouse
- Child (adult or minor)
- Grandchildren
- Elderly parent(s)
- Other

11. Have you incurred many out-of-pocket expenses as a caregiver?

- Yes
- No

12. Has your role as a caregiver impacted your view of retirement?

- Yes
- No

13. If yes, how has your view changed?

Work

1. Do you plan to retire?

- Yes
- No, never
- Semi-retire

2. If so, at what age do you plan to transition?

3. How important is that date?

1 2 3 4 5
Not Very Critically Important

4. If necessary, would you rather work longer, save more now, or spend less in retirement?

- Work longer
- Save more now
- Spend less

5. Do you intend to work during retirement? Full time? Part time?

- Yes, full time
- Yes, part time
- Not at all
- Seasonally
- Undecided

6. If you do intend to work, what would you imagine your main reason to do so?

- To be involved and stimulated
- Additional income
- To maintain benefits
- To pursue other opportunities
- To start your own business

7. Will this work give you a sense of purpose?

- Yes
- No

8. If not, how will you find a sense of purpose?

9. Have you identified interests or causes that you would like to pursue?

Are you retirement ready?

Are you retirement ready?

Many people look forward to retirement, whether enjoying with family and friends, more community involvement, travel, a new career, or potentially a little of everything. It may be a new chapter of life when one wakes up in the morning and starts the day out of a sense of passion rather than “have to.”

The Transition to Retirement ...and After

In the last 50 years, retirement has become less of a date certain event and more of an extended period that may last for 20–30 years. Careful planning and decision-making are necessary.

Decisions may include whether you will need to make lifestyle changes, or want to continue working. The planning involves goals and priorities, the sources of guaranteed income and benefits.

With some guidance from financial professionals, and other sources, you can take the right steps about when and how to retire.

The process doesn't end the day you retire. It's ongoing, making decisions that deal with new and unexpected circumstances.

Research has found that the transition into retirement is more successful for those who have planned ahead. This might include areas such as work, leisure time, relationships with family and co-workers, obtaining employer and federal benefits.

If you have planned ahead, this does not mean that you should retire, rather that you are more prepared to make the important decisions when this time comes.

How am I doing?

Less than one year from retirement?

With life full of uncertainties, and our needs, circumstances, and personal priorities changing, ongoing decision-making, assessment, and updating plans are essential throughout retirement. It's a good idea to revisit the tasks and activities involved in preparing for retirement to determine if anything

needs to be changed, updated, or revised in order to ensure that this life stage remains the best years of your life.

Are you within 5 years from retirement?

It's time to start thinking and planning for your future retirement decision, and even more importantly, to start taking some action.

Use the Retirement Readiness Tasks as a guide for things you will want to have done to start getting serious about your retirement decision. It's certainly time to start working with a financial professional if you haven't already, get details about your potential sources of income from your employer, government benefits, etc., and continue to move along your path into retirement.

Are you 6-15 years from retirement?

Although it may seem too uncertain or too far away to consider, this period is actually very critical. By getting and staying on track now, you have time to adjust, continue to add to your financial security, and make important initial decisions that will provide a clearer path as you progress toward your retirement goals.

Are you a little behind? You should start to focus on your vision of retirement, and to have a discussion with a financial professional to align your financial and life goals.

Are you 16+ years from retirement?

It is not too early to begin knocking off some of these important tasks that lead to a retirement that's right for you. Getting started on these tasks can give you more options and more time to make the choices that matter to you most.

Even though retirement is some time from now, your chances of achieving the retirement of your dreams will improve with taking some basic steps to determine where you want to go and how to get there.

These planning tips offer general advice, and are not a substitute for consultation with an appropriate professional. Please see a financial professional, attorney, or other appropriate professional, when determining how the information and recommendations discussed apply to your specific situation.

Retirement readiness checklist

Here's your retirement readiness checklist. Take a few moments to review, to see how you're progressing on these important activities.

1	2	3
not complete at all	partly complete	complete

		1	2	3
Work	Decide whether you want to retire fully, or work part-time in retirement			
	Determine which of your skills could easily transfer to a new job			
	Explore what employment possibilities are available to you if you want to change careers or work part-time			
Leisure	Determine the proper balance between your work and free time			
	Identify how you'll spend your time			
Relationships	Consider the importance of relationships with co-workers			
	Think about how your retirement might affect the relationships you have with your family and friends			
Income & Benefits	Determine if full-time retirement is financially possible			
	Evaluate how changes in the economy will affect your investments and retirement benefits			
Planning	Develop an alternative plan that could get you through an unexpected set back in your retirement			
	Decide whether your retirement plans meet the demands of personal, social, and financial changes			

MetLife administers the Retirewise program, but has arranged for Massachusetts Mutual Life Insurance Company (MassMutual) to have specially-trained financial professionals offer financial education and, upon request, provide personal guidance to employees and former employees of companies providing Retirewise through MetLife.

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