

# Build your retirement budget

**You'll need the following items to complete this worksheet.**  
(Don't forget your spouse's items if you're planning together.)

- Pay stub/salary information
- Statements or balances for any other savings, investment, or brokerage accounts** (such as an IRA)
- Retirement plan statements** (from both current and former employers, if still active) **and percentage you're currently contributing**
- Social Security statement** (if you have one)
- Pension plan statement** (if you have one)

**Now that you've gathered the right materials, let's start by figuring out what your expenses may be in retirement.**

To do this, complete either A or B below. Option B may help you come up with a more accurate number.

- To cover your expenses, estimate you'll need 80% or more of your pre-retirement income in retirement.\*  
**Current annual income** \_\_\_\_\_ **x 0.8 x** \_\_\_\_\_ **salary increase factor**  
 (see Table A) = \_\_\_\_\_ **estimated annual retirement expenses**

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- Or you can itemize and estimate your expected monthly household retirement expenses using the list below.

<b>Housing</b>	<b>Monthly amount</b>	<b>Personal</b>	<b>Monthly amount</b>	<b>Transportation</b>	<b>Monthly amount</b>
Mortgage or rent	\$	Clothing	\$	Vehicle purchases or payments	\$
Property taxes and insurance	\$	Products and services	\$	Fuel and maintenance	\$
Utilities	\$	Entertainment	\$	Auto insurance	\$
Household improvement and maintenance	\$	Travel	\$	Other transportation	\$
<b>Food</b>		Hobbies/memberships	\$	<b>Health care</b>	
Groceries	\$	Dependent care	\$	Health insurance (including Medicare)	\$
Dining out	\$	Income taxes	\$	Prescriptions and other medical supplies	\$
<b>Insurance</b>		Charitable contributions	\$	Medical bills and expenses	\$
Life	\$	<b>Other</b>		<b>Total household monthly expenses</b>	\$ <input style="width: 80px;" type="text"/>
Long-term care disability	\$	Debt — credit cards	\$		<b>x 12</b>
		Debt — loans (home equity, school, other)	\$	<b>Total household annual expenses</b>	\$ <input style="width: 80px;" type="text"/>
		Misc.	\$		



## Now let's take a look at your retirement income.

### Guaranteed income sources

These are income sources that are guaranteed to last your lifetime.

	Monthly amount		Start age
<b>Social Security</b> View your Social Security statement or sign in to "my Social Security" at <a href="https://ssa.gov">ssa.gov</a> for your specific information.			
<b>Annuity(ies)</b>			
<b>Pension plan</b> Also known as a defined benefit plan			
<b>Other</b>			

### Variable income sources

This is income that may change with the market or for other reasons. If you have a retirement account at Principal®, you can use **the Retirement Wellness Planner** on [principal.com](https://principal.com) to build a holistic view of your savings and to calculate your estimated monthly income in retirement.

	Monthly amount		Start age
<b>Social Security</b> View your Social Security statement or sign in to "my Social Security" at <a href="https://ssa.gov">ssa.gov</a> for your specific information.			
<b>Annuity(ies)</b>			
<b>Pension plan</b> Also known as a defined benefit plan			
<b>Other</b>			

**Total combined monthly income**  **x 12 =** **Total combined annual income**



### What's your bottom line?

Subtract your total annual expenses from your total annual income.

**–**  **=**

**Total annual income**                      **Total annual expenses**                      **Your bottom line**

**Do you have a plan to retire on your own terms?**

Explore more resources and tools—including this budget worksheet—at [principal.com/planmyretirement](https://principal.com/planmyretirement).

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\* 80% is based on our industry experience and GAO Retirement Security Report to Congressional requestors. The estimated average total spending for post-retirement households was about 77% of the spending levels for pre-retirement households. GAO, 2013 CE Data; 16-242, Retirement Replacement Rates.

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