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Jewelery																
Hair/Manicure/Faci																
Ins/Med/Dental/Opt																
Safety Deposit																
Box Alimony/Child																
Credit cards/Misc. I																
Cable TV																
Entertainment/Vide																
Lottery/Gifts																
Donations																
Sporting Events																
Express Mail/Post																
Vacations																
Books/Subscription																
Bank/Union Fees																
Kid's Schools																
Job Training/Educa																
Legal Tax Fees																
Hobbies/Computer																
Miscellaneous																
"ACTUAL" MONTHLY AVERAGE GOING OUT FOR ALL CATE																

How Much Is Coming In Exercise

Knowing what is going out is only one part of getting honest with yourself. You have also got to know if you have the money coming in to pay for what is actually going out. So now you are going to match exactly what you have coming in after taxes with the figure of what you have going out on average.

On the next page I want you to write down all the income that you have coming in from all sources. Please calculate only the amount you are fairly certain will continue coming in for at least two more years or, if you are planning for retirement, that will come in perpetually, such as Social Security payments, pension payments, or annuities. If you loaned someone money, for example, and she has been paying you back regularly but owes only three more payments, don't include this figure. Or, if you're working and about to retire or be laid off, don't count the few paychecks you have left. Be as realistic as possible as to how much you can really count on month in and month out.

INCOME CHART	
Yearly paychecks after taxes / deductions	
Yearly Amt. Predictable bonuses	
Social Security income	
Disability income	
Bond / interest income	

Interest Income	
Dividend Income	
Rental income	
Gifts from parents (if you can count on them)	
Loan repayments	
Pension income	
IRA income	
Misc.	
TOTAL \$	

Take this total above and divide by 12. This figure is the average monthly amount you have coming in after taxes. Write the figure in the box below:

MONTHLY AVERAGE COMING IN:	
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Where Do I Stand?

In the box below you will be comparing the difference between the amount coming in and going out on a monthly average. Write the "Monthly Average Coming In" from the above table, in the first box below. Next write the "Monthly Average Going Out" from the bottom the first table, in the second box on the chart below.

Take the "Monthly Average Coming In" and subtract the "Monthly Average Going Out." This final figure, the difference of the two, represents a monthly sum that is in excess or deficit. Now you know exactly where you stand.

MONTHLY AVERAGE COMING IN	
Minus (-)	
MONTHLY AVERAGE GOING OUT	
DIFFERENCE OF THE TWO (monthly sum deficit or excess)	

Where Do I Go From Here?

If after doing these last two exercises you discover that you have more than enough money coming to pay your expenses than you are doing fabulously.

But if you have found that you have more going out than you do coming in—which is more often the case than not—you are left with two options:

*Make More Money and/or Choose How Much You Want to Spend in Each Category

Hobbies/Computers												
Miscellaneous												

EARLY RETIREMENT

Retirement doesn't necessarily mean sixty-five anymore. Early retirement now can mean fifty to fifty-five years of age. In order to entice long-term, relatively well-paid employees to retire early, many companies offer them additional benefits such as an increased pension, the opportunity to receive the pension immediately, and health-care benefits. Another common inducement is to offer a lump-sum severance payment. . If this is the case, your company pension usually does not begin prior to age fifty-five, so the severance amount will help get you through this lag period. For many working people, the prospect of early retirement will be one of the hardest decisions to make. The considerations are numerous and will have to be reconciled in a fairly short time. Carefully taking stock of the emotional and financial consequences of an offered early retirement becomes essential because they will generally differ from an anticipated and planned retirement.

To understand whether you are financially ready to retire early, you may want to seek advice from a financial professional. In fact, when a company offers an early retirement incentive, the word gets out quickly and you will undoubtedly have financial advisors beating a path to your door.

ASSESSING THE SITUATION

Carefully evaluate your immediate situation and your long-range plans in the following areas of concern.

THE FINANCIAL FACTORS

Do you have money set aside for these eventualities?

Spousal Income Does your spouse or partner work? If you count on his or her income, how much longer will he or she be willing to work? Is there a possibility that this person, too, may be presented with an early retirement offer, or lose his or her job? Could you make it financially without the second income?

Children and Education

Do you still have children in school? Will this early retirement affect your ability to pay for their education? Can you ask your children to pay for part or all of their education?

* If you are taking early retirement because your spouse or partner's earnings cover your financial needs and you are dependent on those earnings, you should consider purchasing a "level term" life insurance policy on him or her to protect you in case anything happens to your spouse or partner if he or she is not adequately insured. You will need a policy only for the number of years your spouse or partner plans to work. If her or she will retire in ten years, take out a ten year policy
Parents Will you be financially responsible for an elderly parent in the future? Are you going to inherit any money?*

Your Home Are you planning to sell your home? Is it a good time to be selling? Will you buy a new home? Is it a good time to be buying? Does your home need immediate or foreseeable repairs, such as a new roof? Do you already have money set aside for these repairs?

Life's Little (and Not So Little) Luxuries

How is your car holding up? Does it require a lot of repairs? When will you be needing or wanting a new car? Do you like to travel? Is this something you planned to do during retirement? What other luxury items did you have your heart set on? A boat? A motor home? Will you still be able to afford them? Can you live without them?

Health Care

Will your company be passing on part of your health insurance costs to you now or in the future? When you turn sixty-five, will the company discontinue health insurance for your spouse? Do you have a durable power of attorney for health care or long-term-care insurance? Now is the time to put things in order, not later, when the unforeseen could be very costly. Will you now be responsible for your own dental and optical care? Most early retirement health benefit offers will not include dental or optical care. If your company now covers these two and if early retirement is in the air, get all your dental and optical work completed beforehand. If dental and optical care are not part of the retirement plan, you will be offered the opportunity to continue coverage for the next eighteen months under COBRA.