

Pre-planning critical before retiring

By Larry Roby

The start of football season may be months away, but the game's on the minds of many after the NFL draft. Minicamps are gearing up and team personnel are organizing in preparation for the 2014-15 season.

Football is a big deal in the United States – and so is the surge of retirees – 10,000 baby boomers every day for the next 18 years. The last thing pre-retirees want to do at this stage of their lives is to fumble while in the red zone of their retirement date.

Only 23 percent of pre-retirees have calculated how much they'll need to save for retirement, according to New Retirement Landscape; while three-quarters say they're confident in the red zone of retirement, an equal amount of people haven't even done the math yet.

Confidence in your retirement portfolio is good – if it's justified. Otherwise, it can lull people into a false sense of security and lack of preparedness.

Having a diverse portfolio and understanding your options for life insurance, Social Security and 401(k) or other retirement accounts are staples for retirement planning. But there are also six crucial documents that are often either not in an individual's playbook or are overlooked.

Here are the six documents you need for a solid red zone estate plan:

- Joint Ownership – Enables you to own property jointly with another person and upon the death of the joint tenant, the

surviving joint tenant automatically becomes the owner of the property.

- Last Will and Testament – A legal document which expresses the wishes of a person concerning the disposition of their property after death and names the person who will manage the estate.

- Durable Power of Attorney – Grants authority to another individual to act on behalf of the person who executes the instrument and are commonly used for legal and financial purposes.

- Durable Health Care Power of Attorney – Grants authority to another individual to make health care decisions on your behalf should you be unable to make such decisions.

- Advance Care Directive – A set of written instructions in which a person specifies what actions should be taken for their health, if they are no longer able to make decisions due to illness or incapacity.

- Living Trust – Created during your lifetime. Assets are transferred to the trust while you are alive. Provides written instructions for the disbursement of the trust assets upon your death. These documents can play a vital role in the major plays during the fourth quarter of your life. Understanding how they work now can make the difference between a last-minute victory or loss.

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