Retirement Scenario & Assumption Workbook

Free working edition 0.3 | November 3, 2026 | David Tom Publishing

A standalone educational working guide for general US readers. Examples are fictional unless explicitly described as source references. Use the guide for one manageable task and keep its supporting records with it.

Print and write by hand, or use the editable Word file. The PDFs are not fillable. Use aliases and private record locations; omit passwords, access codes and full identification/account numbers. Label continuation pages with the sheet code, question and date.

Reader, physical-print, native Word and assistive-technology acceptance remain open. PDFs are untagged; no PDF/UA compliance, professional signoff, or tested classroom outcome is claimed. Try a sample page before a full print run.

This is an evidence and assumption organizer, not a recommendation to buy or sell, a retirement forecast, or personalized financial, legal or tax advice. Unknown inputs are not zero and examples do not establish suitability.

Route through the workbook: define the question and inputs (RET-01/02), trace annual checkpoints (RET-03), check units and included costs (RET-04), record the effect of one change (RET-05), then prepare an evidence-based handoff (RET-06). All calculations are manual; no retirement calculator or probability model is included. RET-07 connects an input correction to separately labeled comparisons and unresolved evidence.

Name the question before opening the calculator

A scenario is a conditional statement: under these inputs and these rules, this model produces this result. Start by writing the question the scenario is meant to explore. “How does a different inflation assumption change a two-year spending illustration?” is narrower and easier to check than “Will retirement work?”

Then write what the exercise cannot decide. A spending illustration cannot establish investment suitability, predict future returns, or determine a safe withdrawal plan. A useful worksheet keeps those limits beside the result rather than placing them in a distant footnote.

Describe today's amount precisely

Every monetary input needs a currency, a period, and a date basis. “$3,000” could mean a monthly spending amount, a one-time payment, or an annual contribution. “Today's dollars” also needs a date so a later reader knows which purchasing-power reference was intended.

Use distinct labels for observed amounts, estimates, and hypothetical test values. An amount copied from a record should identify the record and period. A hypothetical value should say why it was chosen for the exercise. Do not present a convenient round number as a measured household baseline.

An input dictionary that travels with the result

Nominal amount: the monetary amount stated for the modeled date, without converting it to another date's purchasing-power basis.

Purchasing-power date: the date used when an amount is described in constant or present-value terms. Write the date and the conversion assumption together.

Rate period: the interval to which a rate applies. An annual rate and a monthly rate are not interchangeable labels.

Compounding convention: how often the model applies the rate and how it translates one rate period to another. Copy the calculator's actual convention instead of supplying one from memory.

Cash-flow timing: when contributions or withdrawals occur relative to growth. “Monthly” alone does not say whether the cash flow occurs before or after that month's modeled growth.

Omitted factors: costs, taxes, irregular spending, changing contributions, or other factors the chosen illustration does not represent.

These definitions are working documentation for the scenario. They are not additional features of any DTP calculator, and they should be reconciled with the exact model being used.

Worked case: keep one change visible

Sam uses a fictional current monthly amount of $3,000 and a two-year horizon. In the first illustration, an assumed annual increase of 2% is applied once per year. The result after two years is $3,121.20 per month. In the second, only the assumed increase changes to 4%; the corresponding amount is $3,244.80.

The difference in the second year is $123.60 per month, or $1,483.20 across twelve months at that monthly rate. Neither percentage is a forecast. The case contains no savings balance, investment return, withdrawal schedule, tax calculation, or assessment of affordability.

A careful conclusion reads: “For the stated two-year arithmetic illustration, the higher assumed increase produces a higher modeled spending amount.” A careless conclusion reads: “Sam needs exactly this much to retire.” The first follows from the exercise. The second asks the exercise to answer a different question.

Record a result without disguising uncertainty

Save the inputs and model version with the output. Record whether displayed values are rounded and whether a downloadable record contains greater precision. A result that cannot be reproduced from the saved inputs is not ready to support a comparison.

Make a separate list of questions about fees and expenses. Investor.gov describes how investment costs can affect a portfolio; this workbook does not estimate those costs unless the chosen model and input record expressly include them. [R02]

Prepare a useful review

Finish with one unresolved question that could change the interpretation. It may concern the spending record, the model's timing, or a cost that has not been included. The workbook is doing its job when the question becomes clearer. It does not need to make the future look certain.

Build a checkpoint table you can reproduce

For this workbook's spending illustration, let B be a nonnegative starting monthly amount, r a hypothetical annual rate written as a decimal, and n a whole number of years from the base date. The checkpoint amount is B × (1 + r)^n. Apply the annual factor once for each elapsed year. This is a constant-rate arithmetic illustration, not a model of monthly price changes.

For Sam's $3,000 base: at 2%, year 0 is $3,000.00, year 1 is $3,060.00 and year 2 is $3,121.20. At 4%, the corresponding amounts are $3,000.00, $3,120.00 and $3,244.80. The year-2 difference is $123.60 per month. RET-03 keeps the inputs and each checkpoint together.

Enter 2% as 0.02 in this formula, not as 2. The latter means 200%. Do not substitute an annual percentage into a monthly-growth formula or multiply an annual percentage by twelve. If a separate calculator uses a different rate period or compounding convention, follow its documented method and record that difference before comparing results.

Carry full calculation precision until the comparison is complete, then round displayed dollar amounts to cents. State any different rounding rule. For more than two years or changing annual rates, a rounded intermediate value can change later results; preserve the calculation record rather than only a screenshot of its final number.

A checkpoint is not a cumulative spending total

The original $1,483.20 figure is twelve times the year-2 monthly difference of $123.60. It represents a twelve-month illustration at that checkpoint rate. It is not the cumulative difference over the first two years.

To calculate a cumulative amount, specify when each checkpoint applies. For this new fictional timing exercise, the first twelve months use the year-0 amount of $3,000; the next twelve use the year-1 amount. A new amount applies only at each anniversary. No within-year change is modeled.

At 2%, the first two years therefore total $3,000 × 12 + $3,060 × 12 = $72,720. At 4%, they total $3,000 × 12 + $3,120 × 12 = $73,440. The cumulative difference is $720. The year-2 checkpoint applies to the period starting after those two years, so it is not inserted into this first-two-year total.

A different timing rule could produce a different cumulative result from the same annual assumptions. Write the timing rule before calculating. If timing is unknown, a cumulative total is unresolved even when individual checkpoints can be calculated.

Keep purchasing power and payment periods visible

An amount stated for a future date and an amount stated in base-date purchasing power answer different questions. Under the same hypothetical 2% annual inflation conversion, the year-2 nominal amount of $3,121.20 converts back to $3,000 in base-date dollars: $3,121.20 divided by 1.02 squared. The larger nominal number alone does not show an improvement in purchasing power.

Write the conversion rate, period and base date beside a constant-dollar result. If the inflation assumption is unknown, do not label the result as inflation-adjusted. If two scenarios use different conversion assumptions, identify them before comparing the numbers. These conversions do not establish what a particular household will actually be able to buy.

For a separate fictional bill, $1,200 annually has a $100 monthly equivalent. It remains a $1,200 payment on its actual schedule. If that bill is already included in a $3,000 monthly planning amount, adding another $100 would count it twice. RET-04 separates actual billing periods, comparison equivalents and where each item is already included.

Keep gross and net amounts labeled too. A gross income estimate cannot be treated as money available after deductions merely by placing it beside an after-tax expense total. Record missing adjustments and ask the relevant provider or qualified adviser to clarify them; this workbook supplies no tax rate or benefit entitlement.

Test the edges without inventing missing inputs

Under this specific spending formula, a zero-year horizon returns the starting amount. A zero assumed rate keeps the amount unchanged. For $3,000 at an assumed -2% annual change, the two-year checkpoint is $2,881.20. That is a deliberately hypothetical arithmetic case, not a prediction of falling living costs.

This exercise accepts a known nonnegative base amount, a known whole-number horizon of zero or more years, and a rate greater than -100%. Values outside that domain need a different model or clarification. Do not force negative spending, a fractional horizon or a rate at or below -100% into this worksheet's stated interpretation.

Unknown is different from zero. A blank rate produces an unresolved scenario, not a zero-growth case. A missing expense category makes a total incomplete even when every entered number is calculated correctly. Keep the known subtotal, name the missing category and withhold conclusions that depend on it.

Change one input at a time for a first sensitivity check. Record the old and new values, the unchanged inputs and the resulting difference. This demonstrates the effect of that one choice within the model. It does not assign a probability to either scenario or identify a best forecast.

Complete one scenario handoff

A filled RET-01 for Sam would identify the question as: “How does changing a hypothetical annual spending increase from 2% to 4% affect the year-2 monthly checkpoint?” The model is the formula in this edition, using USD, a $3,000 monthly base at year 0 and an annual factor applied twice. Only the assumed rate changes.

The RET-05 result is $3,121.20 versus $3,244.80, a $123.60 monthly difference at year 2. The supported conclusion concerns the two modeled checkpoint amounts. The unsupported conclusion is that either amount guarantees a sufficient retirement income. Neither retirement assets nor a withdrawal plan is modeled.

A filled RET-02 question might be: “Does the $3,000 base include irregular annual bills?” Its state is unknown until the underlying records answer it. The next action is to review those records and mark included items on RET-04, not to raise an assumed return to make the scenario appear comfortable.

Use RET-06 to carry the result and its limits to a discussion. Include the exact model version, assumptions, evidence, omitted costs and unresolved questions. Record an answer only when one is actually obtained; a scheduled conversation is not confirmation. Keep earlier scenario versions so a later change can be understood.

Connected practice 1 — Correct an input without overwriting the first run

This independent fictional case uses record set Juniper and a base date of January 1, 2027. It is separate from Sam's earlier example. All amounts and source records are invented. The base date defines the illustration; it does not turn these inputs into observed future household spending. Amounts are USD monthly planning equivalents unless another period is stated.

Run J-A uses a $2,500 monthly base, a hypothetical 3% annual increase applied once each year, and a two-year horizon. The formula is B × (1 + r)^n. Its year-1 checkpoint is $2,575.00 and year-2 checkpoint $2,652.25. Save J-A with its inputs and date before reviewing whether the base contains every intended item.

Invented worksheet J-S1 itemizes the $2,500 base. Record J-S2 identifies an additional $1,200 annual recurring item and explicitly establishes that it is absent from J-S1. The monthly comparison equivalent is $100. Including it once changes the recurring monthly base to $2,600. This correction depends on the stated exclusion evidence; an annual bill already included in the base would not justify the addition.

Run J-B uses the corrected $2,600 base with the same 3% rate, two-year horizon and formula. Year 1 is $2,678.00 and year 2 is $2,758.34. J-B minus J-A at year 2 is $106.09 per month. This comparison isolates the $100 base correction under the common assumed rate; it is not evidence that inflation increased.

Your checkpoint: preserve both runs and the correction note linking J-S1 and J-S2. The annual item's actual payment date remains unknown. Its $100 equivalent belongs in the planning comparison, not as an invented monthly transaction. The corrected subtotal still makes no claim that every actual household cost has been identified.

Connected practice 2 — Change the rate in a separate comparison

Now create J-C from J-B by changing only the hypothetical annual rate from 3% to 4%. Keep the $2,600 base, two-year horizon, annual compounding, currency and amount period unchanged. J-C produces $2,704.00 at year 1 and $2,812.16 at year 2. J-C minus J-B at year 2 is $53.82 per month.

Comparing J-C directly with J-A gives $2,812.16 minus $2,652.25 = $159.91. That comparison changes both the base and the rate. It cannot be described as the effect of the rate change alone. The two sequential differences, $106.09 and $53.82, sum to $159.91 along this stated path; each answers its own specified comparison.

Use the earlier anniversary timing rule for a separate cumulative planning illustration: the first twelve months use year 0; the next twelve use year 1. J-B totals $2,600 × 12 + $2,678 × 12 = $63,336. J-C totals $2,600 × 12 + $2,704 × 12 = $63,648. The first-two-year difference is $312.

Twelve times the year-2 checkpoint difference is $645.84. That is a twelve-month illustration at the later monthly checkpoint difference, not the $312 cumulative difference over the first two years. State which question a total answers before placing it in a comparison.

Your checkpoint: J-B to J-C isolates one rate change within this formula. These cumulative totals are planning illustrations using equivalents; they are not dated bank transactions or an actual bill calendar. No investment balance, return, tax, withdrawal sequence or probability of retirement success is modeled.

Connected practice 3 — Keep a one-time item and unanswered questions visible

Invented record J-S3 adds a separate $600 one-time planning item in the first twelve months. It is excluded from J-S1 and J-S2. Under the stated J-B convention, adding it once makes the first-two-year illustration $63,936: $63,336 plus $600. Do not add $50 to the recurring monthly base and repeat it across both years; that would add $1,200 before any modeled increases.

For this exercise the one-time item is added at its stated $600 amount with no separate escalation. Its exact payment date is unknown. Record that convention and the missing date. A period-total illustration does not establish cash availability when a bill comes due.

Healthcare-related costs are also not fully documented in this fictional record set. The workbook leaves that category unresolved and labels the result incomplete for any broader spending conclusion. It does not enter zero for a missing cost or invent an estimate to make the total look finished. Investment fees and taxes are not calculated by this spending formula either. The Investor.gov reference explains the separate importance of investment fees and expenses; it supplies no fee estimate for this case. [R02]

Prepare handoff J-H1 with runs J-A, J-B and J-C, the correction records, the timing convention, the separately added one-time item and a question list. The first questions are whether the intended spending categories are complete and when the annual and one-time items would be paid. No adviser response or institutional validation is supplied, and the packet is prepared only.

Use RET-07 to preserve the original run, the evidence-driven correction and the separate rate test. Suggested conclusion: the arithmetic is reproducible under the stated assumptions; payment timing and incomplete costs remain open. The exercise does not determine retirement affordability, a safe withdrawal amount or a recommended rate assumption.

Practice and explained answers

Exercise 1: A fictional $2,500 monthly base is modeled at a constant 3% annual increase for two years. Calculate year 1 and year 2. Using the anniversary timing rule above, calculate total spending across the first two years. Explain why twice the year-2 annualized amount is a different calculation.

Answer 1: year 1 is $2,575.00; year 2 is $2,652.25. The first-two-year total is $2,500 × 12 + $2,575 × 12 = $60,900. Twice the annualized year-2 amount is $63,654, which applies the later checkpoint to both years and does not follow the stated timing rule.

Exercise 2: Convert that year-2 $2,652.25 amount back to base-date purchasing power using the same hypothetical 3% annual conversion for two years. What does the result establish?

Answer 2: $2,652.25 divided by 1.03 squared is $2,500.00. It establishes consistency within the stated conversion, not that actual inflation or actual household costs will follow the assumption.

Exercise 3: A $600 annual charge already appears inside a monthly planning total as $50. Should another $50 be added? If its actual payment date is unknown, what remains unresolved?

Answer 3: no additional $50 is added for the same charge. The equivalent is already included. Payment timing remains unresolved even though the annual amount and monthly equivalent are known.

Exercise 4: The starting amount is known, the rate is blank and the horizon is two years. May you enter a zero-change result? Answer: no. Record the rate as unknown and identify a source or explicitly chosen hypothetical test value. Label a later zero-rate test as a deliberate scenario, not as the missing fact.

RET-01 — Scenario comparison

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Question and what this exercise cannot decide

Model/version and date; amount, currency and period

Base purchasing-power date and assumed rate period

Compounding and cash-flow timing actually used

One input changed; all inputs held constant

Output, units, rounding and independent arithmetic check

Omitted factors, uncertainty and next question

RET-02 — Assumptions that need checking

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Observed amounts and source periods

Hypothetical inputs and why chosen

Unknown inputs; do not substitute zero

Model features actually documented

Costs/taxes/timing omitted from the exercise

Question for the appropriate adviser and record of answer

RET-03 — Checkpoint and timing record

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Scenario ID, base date and starting amount; currency and period

Annual rate as percent AND decimal; source or hypothetical label

Whole-number horizon; formula and model version

Year 0 / year 1 / year 2 checkpoints; continuation for other years

When each checkpoint applies; full precision and displayed rounding

Cumulative total only if timing is defined; included periods

Independent check and unresolved input

RET-04 — Units, included costs and missing records

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Item and source record/date; observed / estimated / hypothetical / unknown

Actual charge or income amount, currency and billing/payment period

Comparison equivalent and calculation; actual payment date kept separate

Where this item is already included; avoid duplicate counting

Gross/net basis, nominal/constant-dollar basis and conversion assumption

Excluded costs or missing records; owner and next check

RET-05 — One-change comparison

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Question, baseline scenario ID and comparison ID

One changed input: old/new value and why it was changed

Inputs held constant; model and timing convention

Baseline output, comparison output and stated subtraction direction

Independent check; units and rounding

Conclusion supported by this exercise; conclusion it cannot support

Next evidence needed and review trigger

RET-06 — Evidence and question handoff

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Exact saved scenario/version and date

Records supporting observed inputs; private locations only

Hypothetical assumptions and omitted factors

Highest-priority unresolved question and why it matters

Relevant provider/adviser and planned discussion; no invented response

Actual answer/source/date, or still unanswered

Revision made, reason and previous version retained

RET-07 — Input correction and separate scenario comparisons

Short notes are enough. Use a labeled continuation for longer answers; keep supporting records in their private location.

Question, base date, currency, amount period and original run ID

Correction source; included/excluded item and old/new input

Corrected run; unchanged rate, horizon, formula and timing

Separate test run; one further change and comparison direction

Checkpoint versus cumulative result; units, precision and check

One-time items, missing costs and actual payment dates still unknown

Handoff version, unanswered question, actual response or next check

Sources and keeping useful records

R02 — U.S. Securities and Exchange Commission / Investor.gov: How Fees and Expenses Affect Your Investment Portfolio

https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-bulletins/updated

Background on distinguishing investment fees and expenses; no personal recommendation or forecast.

Editorial basis: DTP working edition0.1, expanded with original spending-checkpoint, cumulative-timing, purchasing-power and missing-input exercises. All figures are fictional; the workbook is not a retirement sufficiency model.

References checked November 3, 2026; only the narrow point stated in the guide is attributed to each reference.

Keep one current master record. Preserve meaningful revisions and carry open questions forward. Related editions and updates: davidtompublishing.com/books-and-publications/.

Edition 0.3 adds the independent Juniper correction/comparison case and RET-07. Original six worksheet prompt sets and four answered exercises are retained; literal quote escapes were normalized. No actual financial transaction, adviser discussion or retirement assessment was performed.