

Jan 1, 2020

# **Personal Retirement Analysis**

## John and Jane Typical

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baseline

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IMPORTANT: The illustrations or other information generated by this report regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

# Assumptions

A2

baseline

## Prepared for John and Jane Typical

01-Jan-20

The following basic information was used in preparing the reports. Other assumptions may have been used in preparation of this projection which are not shown here.

### Basic Plan Assumptions:

	<u>John</u>	<u>Jane</u>
Current Age	66	61
Retirement Age	70	66
Annual Salary	\$85,500	\$109,000
Self employed income		
Age to start Soc. Sec. benefits	70	70
Monthly Pension benefits		\$1,811

### Personal Savings and Investment Accounts

This section includes amounts in your current savings and investment accounts.

<u>Asset Accounts</u>	<u>Amount</u>	<u>Monthly Additions</u>	<u>Interest Rate</u>	<u>Dividend Rate</u>	<u>Cap Gain Rate</u>	<u>Appr. Rate</u>
Taxable (at ordinary rates)	\$133,000		0.05			
Equity & other			1.25	1.25	1.25	1.25
Tax-deferred			5.00			
Tax-free			5.00			

### Retirement Accounts:

This group includes tax deductible retirement plans like IRA, 401(k), profit sharing, etc.

	<u>Amount</u>	<u>Additions</u> <u>Pers./Comp.</u>	<u>Rate of Ret.</u>
John	244,000	1333 / 206	3.92
Jane	439,000	1607 / 514	4.67

### Roth IRA and Roth 401(k) Accounts:

John	21,000		5.00
Jane	84,000	393	5.00

# Net Worth Statement

A3

baseline

## ASSETS

### Ordinary Interest Accounts:

	Amount	Percent of Assets
Checking accounts, cash	\$133,000	10.89%
<b>Total Ordinary Interest Assets</b>	<b>\$133,000</b>	<b>10.89%</b>

### Retirement Accounts:

401(k) accounts	296,000	24.24%
IRA accounts	255,000	20.88%
403(b), SEP, Simple	132,000	10.81%
Roth accounts	105,000	8.60%
<b>Total Retirement Accounts</b>	<b>\$788,000</b>	<b>64.54%</b>

### Real Estate Assets:

Residence	300,000	24.57%
<b>Total Real Estate Assets</b>	<b>\$300,000</b>	<b>24.57%</b>

<b>TOTAL ASSETS</b>	<b>\$1,221,000</b>	<b>100.00%</b>
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## LIABILITIES

Residence Mortgage	( <b>\$128,730</b> )	10.54%
<b>TOTAL LIABILITIES</b>	<b>(<b>\$128,730</b>)</b>	<b>10.54%</b>

<b>NET WORTH (Assets less Liabilities)</b>	<b>\$1,092,270</b>
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# Asset Detail

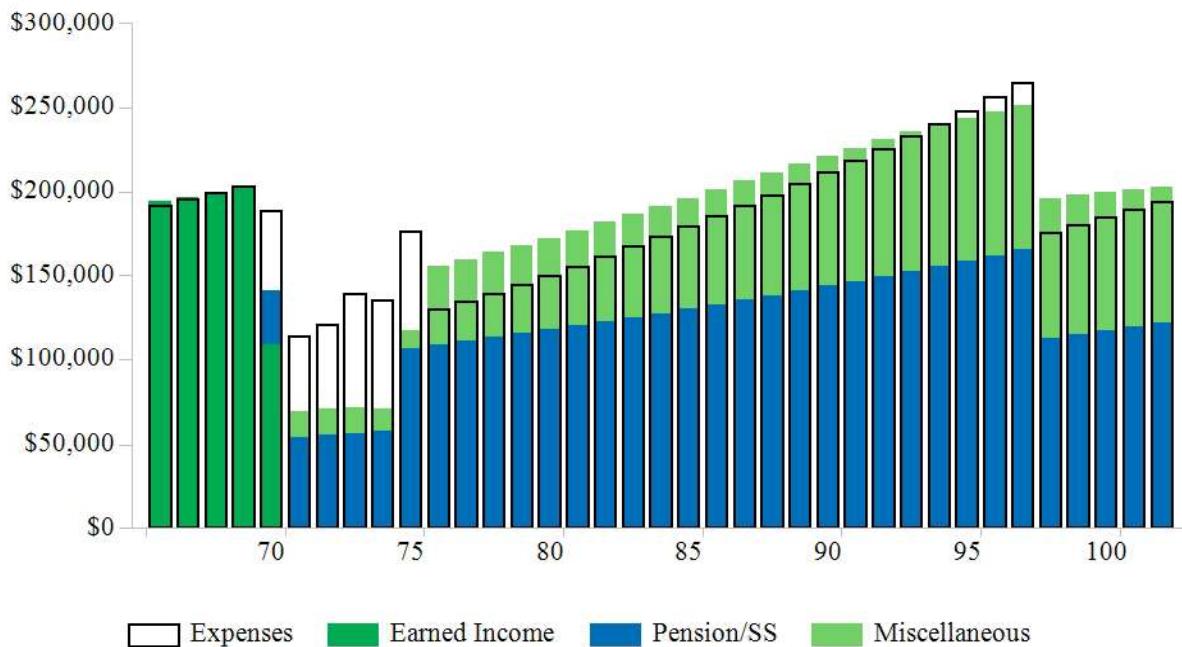
A4

baseline

Name	Account Value	Rate of Return %					Owner	Liquid	Group	Class	Type	Ret
		Monthly-Additions	Inter.	Div.	CapG.	Appr.						
Pension	\$19,000	0 / 0	3.00				John	Liquid	MF-Balance	GrwlInc	Retire	Yes
Roth	15,000	0 / 0	5.00				John	Liquid	MF-Balance	GrwlInc	Retire	Yes
Roth	6,000	0 / 0	5.00				John	Liquid	MF-Balance	GrwlInc	Retire	Yes
Roth	6,000	0 / 0	5.00				Jane	Liquid	MF-Balance	GrwlInc	Retire	Yes
Taxable	3,000	0 / 0	0.05				Joint	Cash/Reserv	CashOrEq	Cash	Taxable	Yes
Traditional	93,000	0 / 0	4.00				John	Liquid	MF-Balance	GrwlInc	Retire	Yes
Traditional	143,000	0 / 0	4.00				Jane	Liquid	MF-Balance	GrwlInc	Retire	Yes
403(B)/401(A)	132,000	1,333 / 206	4.00				John	Liquid	MF-Balance	GrwlInc	Retire	Yes
Roth	25,000	0 / 0	5.00				Jane	Liquid	MF-Balance	GrwlInc	Retire	Yes
Savings	130,000	0 / 0	0.05				John	Cash/Reserv	CashOrEq	Cash	Taxable	Yes
Thrift - Roth	53,000	393 / 0	5.00				Jane	Liquid	MF-Balance	GrwlInc	Retire	Yes
Thrift - Traditional	296,000	1,607 / 514	5.00				Jane	Liquid	MF-Balance	GrwlInc	Retire	Yes

baseline

## Future Cash Flow - Income Sources vs Expenses



The bars in the above graph represent the amounts available from...

- Earned income (wages & self employment)
- Pension plans and Social Security
- Misc (inherita...ces, sale of residence, investment account systematic withdrawal plans or interest/dividends taken in cash, scheduled retirement account distributions or required minimum distribution amounts.)

The black outline illustrates the annual expenses including ...

- Personal living expenses
- Life insurance and other premiums
- Mortgage and debt repayment
- Planned deposits to investments and retirement accounts
- Miscellaneous expense items
- Taxes

If income from various sources exceeds expenses, the excess is reinvested in savings and investment accounts. If expenses are greater than income, it is assumed that funds required to meet such excess expenses will be drawn from savings and investment accounts to make up the shortage.

# Current Year Cash Flow

B6

baseline

	Monthly Amount	Annual Amount	Percent of Income	
<b>INCOME</b>				
Salaries & Wages	\$16,208	\$194,500	100.00	B9
<b>Total income available</b>	<b>\$16,208</b>	<b>\$194,500</b>	<b>100.00</b>	
<b>EXPENDITURES</b>				
Federal and State Income Tax	\$2,335	\$28,026	14.41	D3
FICA Taxes	1,240	14,879	7.65	D6
Residence Mortgage	1,414	16,968	8.72	B 24
Life Insurance Premiums	137	1,644	0.85	A7
Auto Insurance	226	2,712	1.39	A8
Medical & LTC Insurance	667	8,000	4.11	A8
Retirement Account Additions (IRA, 401(k), TSA, etc.)	3,333	40,000	20.57	B8
Charitable Contributions	225	2,700	1.39	D 10
Property Taxes	791	9,492	4.88	D 10
Utilities	280	3,360	1.73	A9
Telephone, cable	136	1,632	0.84	A9
Groceries / Eating Out	1,000	12,000	6.17	A9
Household	200	2,400	1.23	A9
Property improvements, upkeep	150	1,800	0.93	A9
Auto operating and maintenance	450	5,400	2.78	A9
Clothing and personal items	250	3,000	1.54	A9
Prof ed	300	3,600	1.85	A9
Gifts, birthdays	450	5,400	2.78	A9
Entertainment & vacations	800	9,600	4.94	A9
Books, papers, subscriptions	75	900	0.46	A9
Home furnishings	300	3,600	1.85	A9
Family help	335	4,020	2.07	A9
Condo assoc fees	330	3,960	2.04	A9
Misc.	600	7,200	3.70	A9
<b>Total spending and savings</b>	<b>\$16,024</b>	<b>\$192,293</b>	<b>98.87</b>	
<b>Cash flow surplus (Income less Spending)</b>	<b>\$184</b>	<b>\$2,207</b>		

# Five Year Cash Flow at John's Age 66

B6b

baseline

	John's Age 66	67	68	69	70
	Jane's Age 61	62	63	64	65
<b>INCOME</b>					
Salaries & Wages	\$194,500	\$197,065	\$199,707	\$202,428	\$109,000
Social Security					32,109
Pension Income					
Retirement Account Dist.					
<b>Total income available</b>	<b>\$194,500</b>	<b>\$197,065</b>	<b>\$199,707</b>	<b>\$202,428</b>	<b>\$141,109</b>
<b>EXPENDITURES</b>					
Federal and State Income Tax	\$28,026	\$28,437	\$28,864	\$29,306	\$14,899
FICA Taxes	14,879	15,075	15,278	15,486	8,338
Residence Mortgage	16,968	16,968	16,968	16,968	16,968
Life Insurance Premiums	1,644	1,644	1,644	1,644	
Auto Insurance	2,712	2,793	2,877	2,963	3,052
Medical & LTC Insurance	8,000	8,480	8,989	9,528	10,100
Retirement Additions	40,000	40,000	40,000	40,000	24,000
Charitable Contributions	2,700	2,781	2,864	2,950	1,418
Property Taxes	9,492	9,777	10,070	10,372	11,615
Utilities	3,360	3,468	3,578	3,693	4,424
Telephone, cable	1,632	1,684	1,738	1,794	2,042
Groceries / Eating Out	12,000	12,384	12,780	13,189	12,250
Household	2,400	2,477	2,556	2,638	1,021
Property improvements, upkee	1,800	1,858	1,917	1,978	681
Auto operating and maintenan	5,400	5,573	5,751	5,935	4,083
Clothing and personal items	3,000	3,096	3,195	3,297	2,042
Prof ed	3,600	3,715	3,834	3,957	4,083
Gifts, birthdays	5,400	5,573	5,751	5,935	4,083
Entertainment & vacations	9,600	9,907	10,224	10,551	13,611
Books, papers, subscriptions	900	929	959	989	681
Home furnishings	3,600	3,715	3,834	3,957	1,021
Family help	4,020	4,149	4,281	4,418	2,722
Condo assoc fees	3,960	4,087	4,217	4,352	5,445
Misc.	7,200	7,430	7,668	7,914	5,445
Other Expenses					33,765
Domestic					1,361
<b>Total spending and savings</b>	<b>\$192,293</b>	<b>\$195,999</b>	<b>\$199,839</b>	<b>\$203,816</b>	<b>\$189,150</b>
<b>Cash flow surplus</b>	<b>\$2,207</b>	<b>\$1,066</b>	<b>(\$132)</b>	<b>(\$1,388)</b>	<b>(\$48,041)</b>

# Five Year Cash Flow at John's Age 71

B6c

baseline

	John's Age 71	72	73	74	75	
	John's Age 71	72	73	74	75	
<b>INCOME</b>						
Salaries & Wages						B9
Social Security	32,751	33,406	34,075	34,756	83,351	B 10
Pension Income	21,732	22,167	22,610	23,062	23,523	B 10
Retirement Account Dist.	14,802	15,331	15,484	13,031	10,459	C9
<b>Total income available</b>	<b>\$69,285</b>	<b>\$70,904</b>	<b>\$72,168</b>	<b>\$70,850</b>	<b>\$117,333</b>	
<b>EXPENDITURES</b>						
Federal and State Income Tax	\$3,457	\$7,029	\$21,445	\$20,206	\$29,634	D3
FICA Taxes						D6
Residence Mortgage	16,968	16,968	16,968	11,379		B 24
Life Insurance Premiums						A7
Auto Insurance	3,144	3,238	3,335	3,435	3,539	A8
Medical & LTC Insurance	10,706	11,348	12,029	12,751	13,516	A8
Retirement Additions						B8
Charitable Contributions	1,461	1,505	1,550	1,596	1,644	D 10
Property Taxes	11,964	12,323	12,692	13,073	13,465	D 10
Utilities	4,565	4,711	4,862	5,018	5,178	A9
Telephone, cable	2,107	2,174	2,244	2,316	2,390	A9
Groceries / Eating Out	12,642	13,047	13,464	13,895	14,340	A9
Household	1,054	1,087	1,122	1,158	1,195	A9
Property improvements, upkee	702	725	748	772	797	A9
Auto operating and maintenan	4,214	4,349	4,488	4,632	4,780	A9
Clothing and personal items	2,107	2,174	2,244	2,316	2,390	A9
Prof ed	4,214	4,349	4,488	4,632	4,780	A9
Gifts, birthdays	4,214	4,349	4,488	4,632	4,780	A9
Entertainment & vacations	14,047	14,496	14,960	15,439	15,933	A9
Books, papers, subscriptions	702	725	748	772	797	A9
Home furnishings	1,054	1,087	1,122	1,158	1,195	A9
Family help	2,809	2,899	2,992	3,088	3,187	A9
Condo assoc fees	5,619	5,799	5,984	6,176	6,373	A9
Misc.	5,619	5,799	5,984	6,176	6,373	A9
Other Expenses					39,143	B 18
Domestic	1,405	1,450	1,496	1,544	1,593	
<b>Total spending and savings</b>	<b>\$114,773</b>	<b>\$121,631</b>	<b>\$139,455</b>	<b>\$136,162</b>	<b>\$177,021</b>	
<b>Cash flow surplus</b>	<b>(\$45,488)</b>	<b>(\$50,727)</b>	<b>(\$67,286)</b>	<b>(\$65,312)</b>	<b>(\$59,688)</b>	

# Cash Flow Illustration

B7

baseline

Ages	Scheduled Cash flow sources and Required Minimum Distributions						Less Living Expense & Taxes	Surplus (Shortage)
	Earned Income	Retire/Roth Accounts *	Investment Accounts *	Pension/ SocSec	Other Income	Total Sources		
66 61	\$194,500					\$194,500	(\$192,293)	\$2,207
67 62	197,065					197,065	(196,000)	1,065
68 63	199,707					199,707	(199,839)	(132)
69 64	202,428					202,428	(203,816)	(1,388)
70 R 65	109,000			32,109		141,109	(189,151)	(48,041)
71 66 R		14,802		54,483		69,285	(114,773)	(45,488)
72 67		15,331		55,573		70,904	(121,631)	(50,727)
73 68		15,484		56,685		72,168	(139,455)	(67,286)
74 69		13,031		57,818		70,850	(136,162)	(65,312)
75 70		10,459		106,874		117,333	(177,021)	(59,688)
76 71		46,227		109,011		155,239	(130,353)	24,886
77 72		48,244		111,192		159,435	(135,070)	24,366
78 73		50,303		113,415		163,718	(139,927)	23,792
79 74		52,447		115,684		168,131	(145,013)	23,118
80 75		54,679		117,997		172,676	(150,414)	22,262
81 76		56,776		120,357		177,133	(155,894)	21,240
82 77		59,183		122,765		181,948	(161,686)	20,261
83 78		61,420		125,220		186,640	(167,526)	19,115
84 79		63,657		127,724		191,381	(173,549)	17,832
85 80		65,954		130,279		196,232	(179,774)	16,458
86 81		68,309		132,884		201,194	(185,846)	15,347
87 82		70,722		135,542		206,264	(192,087)	14,177
88 83		73,188		138,253		211,441	(198,516)	12,925
89 84		75,172		141,018		216,190	(205,041)	11,149
90 85		77,150		143,838		220,989	(211,753)	9,235
91 86		79,113		146,715		225,828	(218,684)	7,144
92 87		81,049		149,649		230,699	(225,838)	4,860
93 88		82,830		152,642		235,473	(233,210)	2,263
94 89		83,906		155,695		239,601	(240,786)	(1,185)
95 90		84,863		158,809		243,673	(248,729)	(5,057)
96 91		85,683		161,985		247,668	(256,941)	(9,273)
97 L 92		86,343		165,225		251,568	(265,429)	(13,861)
98 93		83,476		112,626		196,102	(176,135)	19,967
99 94		83,127		114,879		198,006	(180,619)	17,387
100 95		82,548		117,177		199,725	(185,168)	14,557
101 96		81,715		119,520		201,235	(189,803)	11,432
102 97 L		80,601		121,910		202,512	(194,511)	8,001
103 98								
	B9	C10, C11a	C4, C8	B10	B18, B18a		B8	

\* Scheduled distributions, interest or dividends taken in cash or amounts taken to meet the IRS minimum distribution requirements.

R = Retirement Age, L = Life Expectancy

# Pension and Social Security

B10

baseline

Age	John			Jane				Total Pension & Social Security
	Individual 1 Ben	Individual 1 Bene	SocSec*	Individual 2 Bene	Individual 2 Benef	SocSec *		
	1	2	\$29,664	Age	\$21,732	\$40,080		
66				61				
67				62				
68				63				
69				64				
70		32,109		65				32,109
71		32,751		66	21,732			54,483
72		33,406		67	22,167			55,573
73		34,075		68	22,610			56,685
74		34,756		69	23,062			57,818
75		35,451		70	23,523		47,899	106,874
76		36,160		71	23,994		48,857	109,011
77		36,883		72	24,474		49,834	111,192
78		37,621		73	24,963		50,831	113,415
79		38,374		74	25,463		51,848	115,684
80		39,141		75	25,972		52,885	117,997
81		39,924		76	26,491		53,942	120,357
82		40,722		77	27,021		55,021	122,765
83		41,537		78	27,561		56,122	125,220
84		42,367		79	28,113		57,244	127,724
85		43,215		80	28,675		58,389	130,279
86		44,079		81	29,248		59,557	132,884
87		44,961		82	29,833		60,748	135,542
88		45,860		83	30,430		61,963	138,253
89		46,777		84	31,039		63,202	141,018
90		47,713		85	31,659		64,466	143,838
91		48,667		86	32,293		65,755	146,715
92		49,640		87	32,938		67,071	149,649
93		50,633		88	33,597		68,412	152,642
94		51,646		89	34,269		69,780	155,695
95		52,679		90	34,955		71,176	158,809
96		53,732		91	35,654		72,599	161,985
97		54,807		92	36,367		74,051	165,225
98				93	37,094		75,532	112,626
99				94	37,836		77,043	114,879
100				95	38,593		78,584	117,177
101				96	39,365		80,156	119,520
102				97	40,152		81,759	121,910
103				98				

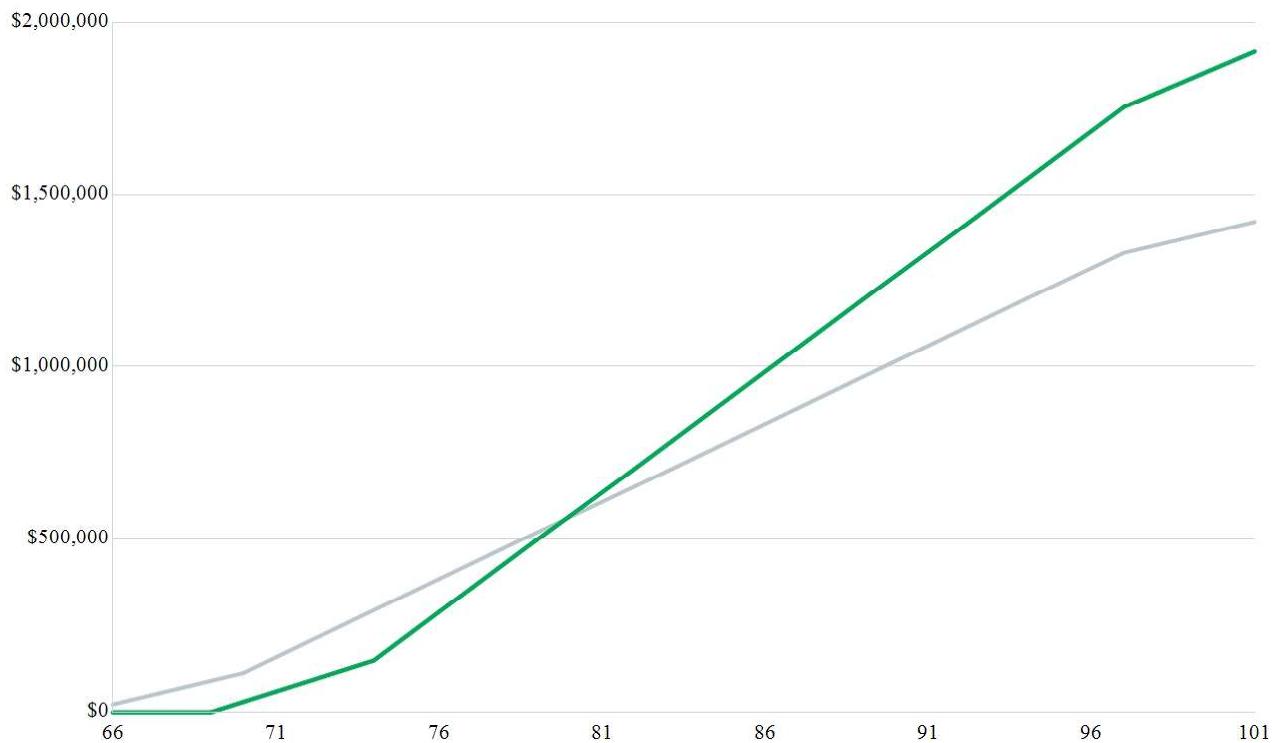
\* Less earned income reduction if applicable

# Social Security Breakeven Point

B13

baseline

## Total Income Received



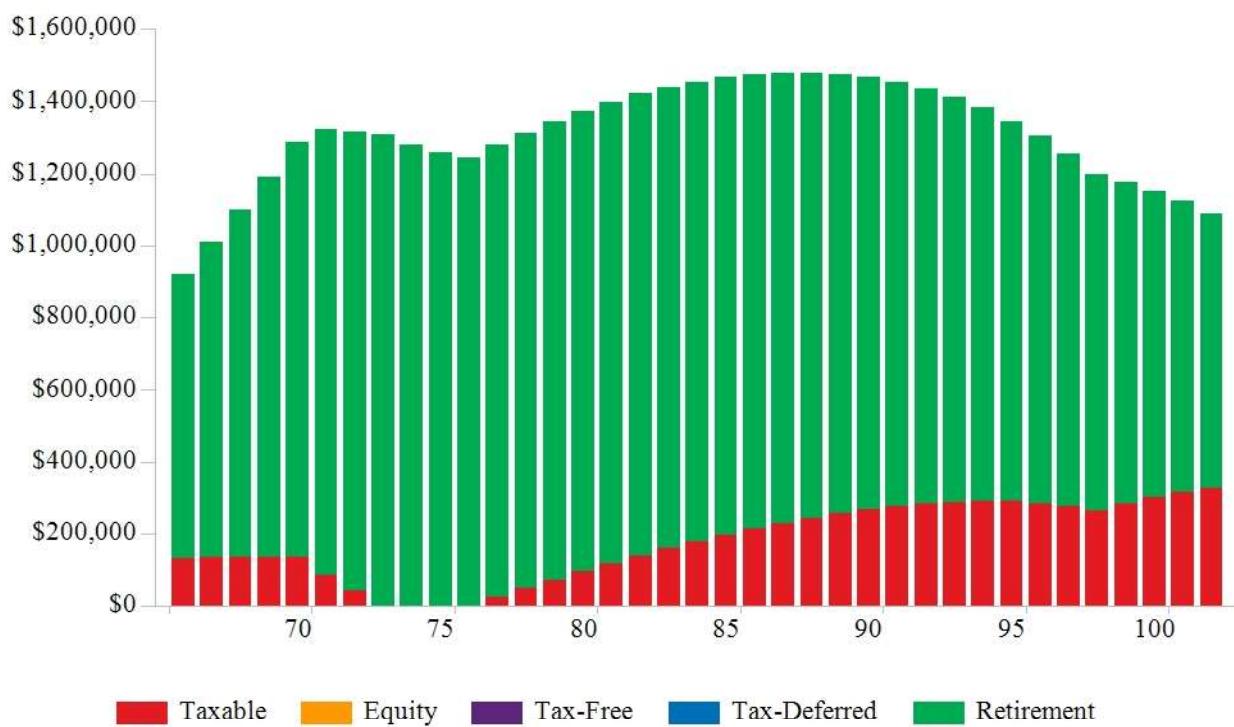
Age	Year	File at 66/62	Current Strategy	Optimal Strategy
66 61	2020	\$22,473		
67 62	2021	44,945		
68 63	2022	67,418		
69 64	2023	89,891		
70 65	2024	112,364	29,664	29,664
71 66	2025	157,513	59,328	59,328
72 67	2026	202,663	88,992	88,992
73 68	2027	247,812	118,656	118,656
74 69	2028	292,962	148,320	148,320
75 70	2029	338,111	218,064	218,064
76 71	2030	383,261	287,808	287,808
77 72	2031	428,411	357,552	357,552
78 73	2032	473,560	427,296	427,296
79 74	2033	518,710	497,040	497,040
80 75	2034	563,859	566,784	566,784
81 76	2035	609,009	636,528	636,528
82 77	2036	654,158	706,272	706,272
83 78	2037	699,308	776,016	776,016
84 79	2038	744,458	845,760	845,760
85 80	2039	789,607	915,504	915,504
86 81	2040	834,757	985,248	985,248
87 82	2041	879,906	1,054,992	1,054,992
88 83	2042	925,056	1,124,736	1,124,736
89 84	2043	970,205	1,194,480	1,194,480
90 85	2044	1,015,355	1,264,224	1,264,224
91 86	2045	1,060,505	1,333,968	1,333,968
92 87	2046	1,105,654	1,403,712	1,403,712
93 88	2047	1,150,804	1,473,456	1,473,456
94 89	2048	1,195,953	1,543,200	1,543,200

\*All amounts on this page are in today's dollars and show gross monthly benefits.

# Account Summary

C2

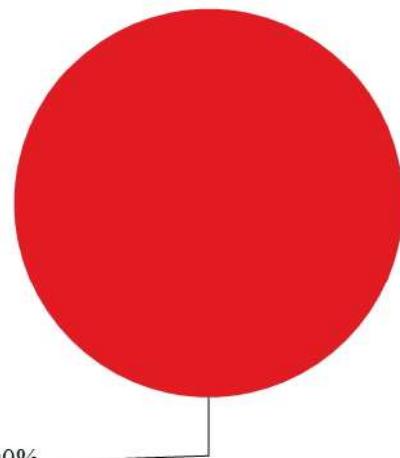
baseline



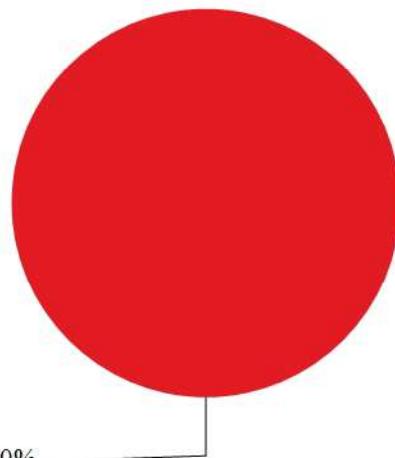
## Allocation of Surplus Cash Flow

In years when there is a surplus of spendable income, the surplus is reinvested into the asset accounts in the proportions shown below. Period 1 covers the years up to age 65.

Surplus Allocation in Period 1



Surplus Allocation in Period 2



In years when there is a shortage of spendable income from earnings, pensions, social security, interest and dividends taken in cash, and miscellaneous income sources, the shortage is made up by withdrawals from asset and retirement accounts. It is assumed that funds are taken in the following order - from taxable, equity and other non-qualified, tax-free, tax-deferred and then qualified retirement accounts.

# Account Summary

C3

baseline

Ages	Taxable	Equity	Tax	Tax	Retirement accounts		Roth IRAs		Begin. Year Account Totals
	Account 0.05%	& Other 5.00%	Free 5.00%	Deferred 5.00%	John 3.92%	Jane 4.67%	John 5.00%	Jane 5.00%	
	1	2	3	4	5	6	7	8	9
66 61	\$133,000				\$244,000	\$439,000	\$21,000	\$84,000	\$921,000
67 62	135,274				272,439	485,626	22,050	93,046	1,008,435
68 63	136,407				301,994	534,431	23,153	102,544	1,098,528
69 64	136,343				332,707	585,517	24,310	112,517	1,191,395
70 65	135,023				364,626	638,992	25,526	122,988	1,287,154
71 66	87,036				378,927	694,965	26,802	133,983	1,321,714
72 67	41,580				378,669	727,450	28,142	140,682	1,316,522
73 68					368,516	761,453	29,549	147,716	1,307,235
74 69					298,420	797,045	31,027	155,102	1,281,594
75 70					230,097	834,301	32,578	162,857	1,259,833
76 71					167,466	873,298	34,207	171,000	1,245,971
77 72	24,893				165,965	879,129	35,917	175,220	1,281,124
78 73	49,277				164,123	883,716	37,713	179,382	1,314,210
79 74	73,100				161,962	886,938	39,599	183,465	1,345,064
80 75	96,261				159,467	888,670	41,579	187,444	1,373,421
81 76	118,577				156,622	888,777	43,657	191,292	1,398,926
82 77	139,882				153,408	887,321	45,840	195,007	1,421,459
83 78	160,219				149,811	883,964	48,132	198,530	1,440,656
84 79	179,419				145,814	878,787	50,539	201,856	1,456,414
85 80	197,345				141,469	871,662	53,066	204,951	1,468,493
86 81	213,907				136,769	862,459	55,719	207,775	1,476,629
87 82	229,365				131,707	851,041	58,505	210,287	1,480,905
88 83	243,660				126,279	837,269	61,430	212,437	1,481,076
89 84	256,710				120,482	821,000	64,502	214,174	1,476,868
90 85	267,991				114,412	802,478	67,727	215,501	1,468,109
91 86	277,363				108,078	781,613	71,113	216,367	1,454,534
92 87	284,648				101,493	758,320	74,669	216,717	1,435,847
93 88	289,651				94,674	732,522	78,403	216,490	1,411,741
94 89	292,059				87,760	704,151	82,323	215,619	1,381,912
95 90	291,020				80,778	673,711	86,439	214,138	1,346,086
96 91	286,107				73,759	641,219	90,761	211,990	1,303,837
97 92	276,975				66,738	606,712	95,299	209,116	1,254,840
98 93	263,249				59,754	570,249	100,064	205,450	1,198,765
99 94	283,353				55,390	532,629	105,067	201,086	1,177,525
100 95	300,886				50,983	494,002	110,320	195,981	1,152,173
101 96	315,598				46,553	454,538	115,836	190,094	1,122,620
102 97	327,191				42,122	414,441	121,628	183,384	1,088,765
103 98	335,357				37,714	373,942	127,710	175,808	1,050,530
	C4	C5	C7	C8	C10,C10b...e	C10a,C10b...e	C11	C11a	

Note: Rates shown above are for first year only. Refer to account reports for future year rates.

# Federal Income Tax Worksheet

D8

baseline

Ages	Filing Status	Taxable Ordinary Income	Cap. Gain, Div. & § 1250	Marginal rate brackets indexed at 2 %						Max CG Rate	Cap. Gain Div & § 1250 Tax	Ordinary Income Tax	Total Tax
				12 % 15 %	22 % 25 %	24 % 28 %	32 % 33 %	35 % 35 %	37 % 39.6 %				
66 61	Joint	\$132,583		\$19,750	\$80,250	\$171,050	\$326,600	\$414,700	\$622,050	15%		\$20,748	\$20,748
67 62	Joint	134,627		20,145	81,855	174,471	333,132	422,994	634,491	15%		21,030	21,030
68 63	Joint	136,737		20,548	83,492	177,960	339,795	431,454	647,181	15%		21,322	21,322
69 64	Joint	138,914		20,959	85,162	181,520	346,591	440,083	660,124	15%		21,626	21,626
70 65	Joint	86,805		21,378	86,865	185,150	353,522	448,885	673,327	15%		9,989	9,989
71 66	Joint	19,313		21,806	88,602	188,853	360,593	457,862	686,793			1,931	1,931
72 67	Joint	37,701		22,354	90,938	183,508	279,570	499,284	564,038			4,537	4,537
73 68	Joint	104,015		22,801	92,756	187,178	285,161	509,270	575,319	15%		15,588	15,588
74 69	Joint	100,688		23,257	94,611	190,922	290,864	519,455	586,826	15%		14,548	14,548
75 70	Joint	131,918		23,723	96,504	194,740	296,682	529,844	598,562	15%		22,143	22,143
76 71	Joint	94,046		24,197	98,434	198,635	302,615	540,441	610,533			12,897	12,897
77 72	Joint	97,634		24,681	100,402	202,608	308,668	551,250	622,744			13,411	13,411
78 73	Joint	101,135		25,175	102,411	206,660	314,841	562,275	635,199			13,912	13,912
79 74	Joint	104,828		25,678	104,459	210,793	321,138	573,520	647,903	15%		14,477	14,477
80 75	Joint	108,610		26,192	106,548	215,009	327,561	584,991	660,861	15%		15,188	15,188
81 76	Joint	112,097		26,715	108,679	219,309	334,112	596,691	674,078	15%		15,821	15,821
82 77	Joint	116,041		27,250	110,852	223,695	340,794	608,625	687,560	15%		16,563	16,563
83 78	Joint	119,518		27,795	113,069	228,169	347,610	620,797	701,311	15%		17,183	17,183
84 79	Joint	122,993		28,351	115,331	232,733	354,562	633,213	715,337	15%		17,798	17,798
85 80	Joint	126,477		28,918	117,638	237,387	361,653	645,877	729,644	15%		18,410	18,410
86 81	Joint	128,752		29,496	119,990	242,135	368,886	658,795	744,237	15%		18,714	18,714
87 82	Joint	130,888		30,086	122,390	246,978	376,264	671,971	759,121	15%		18,979	18,979
88 83	Joint	132,882		30,688	124,838	251,917	383,789	685,410	774,304	15%		19,202	19,202
89 84	Joint	134,430		31,301	127,335	256,956	391,465	699,118	789,790	15%		19,309	19,309
90 85	Joint	135,768		31,927	129,881	262,095	399,295	713,101	805,586	15%		19,357	19,357
91 86	Joint	136,977		32,566	132,479	267,337	407,280	727,363	821,698	15%		19,368	19,368
92 87	Joint	138,036		33,217	135,129	272,683	415,426	741,910	838,131	15%		19,335	19,335
93 88	Joint	138,903		33,882	137,831	278,137	423,735	756,748	854,894	15%		19,249	19,249
94 89	Joint	138,901		34,559	140,588	283,700	432,209	771,883	871,992			19,107	19,107
95 90	Joint	138,642		35,251	143,399	289,374	440,853	787,321	889,432			19,034	19,034
96 91	Joint	138,095		35,956	146,267	295,161	449,671	803,067	907,220			18,916	18,916
97 92	Joint	137,228		36,675	149,193	301,065	458,664	819,129	925,365			18,750	18,750
98 93	Single	124,221		18,704	76,088	184,261	384,352	835,558	838,997	15%		22,511	22,511
99 94	Single	124,295		19,078	77,610	187,946	392,039	852,269	855,777	15%		22,359	22,359
100 95	Single	124,109		19,460	79,162	191,705	399,880	869,315	872,893	15%		22,138	22,138
101 96	Single	123,741		19,849	80,746	195,539	407,877	886,701	890,351	15%		21,868	21,868
102 97	Single	123,120		20,246	82,360	199,450	416,035	904,435	908,158	15%		21,532	21,532
103 98				D7	D7								

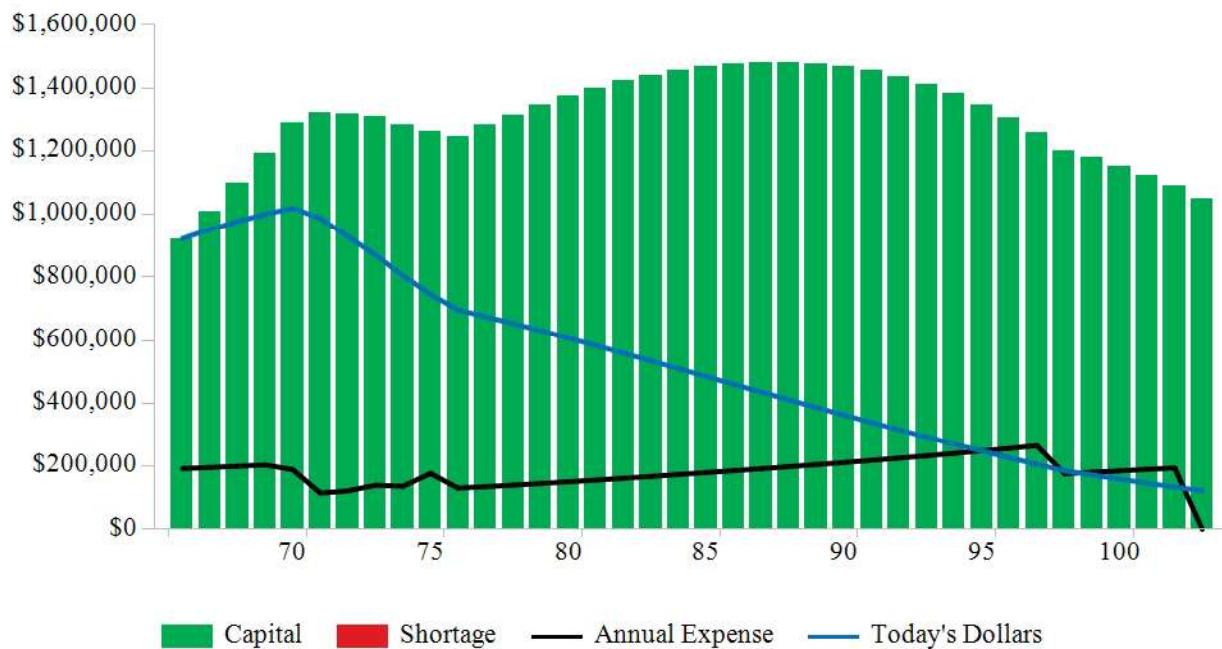
Note - it is assumed the Tax Cuts and Jobs Act (TCJA) sunsets after 2025. See Income Tax Calculations report for details.

# Retirement Estimate

F2

baseline

Retirement Capital Estimate



As inflation increases the amount of income needed for your standard of living, there is the potential need to draw increasing amounts out of savings, investments and retirement accounts.

The graph shows how long your capital might last. The objective is to assure that your capital is properly managed so that it will last at least until your life expectancy.

If the capital is depleted before your need for income has ceased, then you will become dependent on your pensions, Social Security, relatives or public sources. If there is capital remaining when your need for income stops then the remaining capital is available for your heirs.

The line allows you to visualize the annual expenses as compared to your capital accounts.

If the bars dip below the "0" level on the graph, it indicates that you have consumed all your savings, investment, and retirement accounts, and your spending requirements have caused a "deficit" spending situation - a need for funds where none exists.

# Retirement Capital Estimate

F3

baseline

Ages	Begin. Yr. Account Totals	Annual Expenses Incl. Tax	Income and Capital Distributions						Annual Surplus	Ending Year Account Totals
			1	2	3	4	5	6		
66	61	\$921,000	(\$192,293)	\$194,500					\$2,207	\$1,008,435
67	62	1,008,435	(196,000)	197,065					1,065	1,098,528
68	63	1,098,528	(199,839)	199,707		132				1,191,395
69	64	1,191,395	(203,816)	202,428		1,388				1,287,154
70 R	65	1,287,154	(189,151)	109,000		48,041	32,109			1,321,714
71	66 R	1,321,714	(114,773)		14,802	45,488	54,483			1,316,522
72	67	1,316,522	(121,631)		24,478	41,580	55,573			1,307,235
73	68	1,307,235	(139,455)		82,770		56,685			1,281,594
74	69	1,281,594	(136,162)		78,343		57,818			1,259,833
75	70	1,259,833	(177,021)		70,147		106,874			1,245,971
76	71	1,245,971	(130,353)		46,227		109,011		24,886	1,281,124
77	72	1,281,124	(135,070)		48,244		111,192		24,366	1,314,210
78	73	1,314,210	(139,927)		50,303		113,415		23,792	1,345,064
79	74	1,345,064	(145,013)		52,447		115,684		23,118	1,373,421
80	75	1,373,421	(150,414)		54,679		117,997		22,262	1,398,926
81	76	1,398,926	(155,894)		56,776		120,357		21,240	1,421,459
82	77	1,421,459	(161,686)		59,183		122,765		20,261	1,440,656
83	78	1,440,656	(167,526)		61,420		125,220		19,115	1,456,414
84	79	1,456,414	(173,549)		63,657		127,724		17,832	1,468,493
85	80	1,468,493	(179,774)		65,954		130,279		16,458	1,476,629
86	81	1,476,629	(185,846)		68,309		132,884		15,347	1,480,905
87	82	1,480,905	(192,087)		70,722		135,542		14,177	1,481,076
88	83	1,481,076	(198,516)		73,188		138,253		12,925	1,476,868
89	84	1,476,868	(205,041)		75,172		141,018		11,149	1,468,109
90	85	1,468,109	(211,753)		77,150		143,838		9,235	1,454,534
91	86	1,454,534	(218,684)		79,113		146,715		7,144	1,435,847
92	87	1,435,847	(225,838)		81,049		149,649		4,860	1,411,741
93	88	1,411,741	(233,210)		82,830		152,642		2,263	1,381,912
94	89	1,381,912	(240,786)		83,906	1,185	155,695			1,346,086
95	90	1,346,086	(248,729)		84,863	5,057	158,809			1,303,837
96	91	1,303,837	(256,941)		85,683	9,273	161,985			1,254,840
97 L	92	1,254,840	(265,429)		86,343	13,861	165,225			1,198,765
98	93	1,198,765	(176,135)		83,476		112,626		19,967	1,177,525
99	94	1,177,525	(180,619)		83,127		114,879		17,387	1,152,173
100	95	1,152,173	(185,168)		82,548		117,177		14,557	1,122,620
101	96	1,122,620	(189,803)		81,715		119,520		11,432	1,088,765
102	97 L	1,088,765	(194,511)		80,601		121,910		8,001	1,050,530
103	98	1,050,530		B8	B9	C10...C10e	C4...C8	B10	B18, B18a	C3a

R = Retirement Age, L = Life Expectancy

\*\*Investment and Retirement distributions include withdrawals from account totals to satisfy "Income needed" shortages from Cash Flow report.

# Monte Carlo Retirement Simulation

F4

## baseline

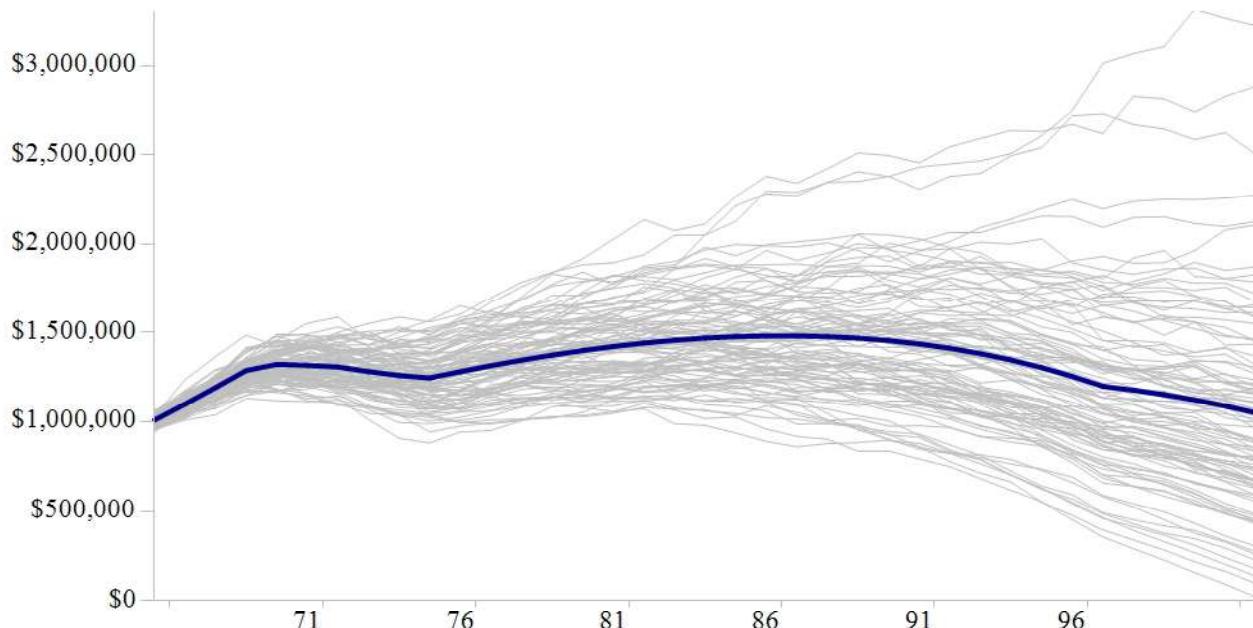
Monte Carlo Simulations illustrate possible variations in growth and/or depletion of retirement capital under unpredictable future conditions. Simulation introduces uncertainty by fluctuating annual rates of return on assets. The graph and related calculations do not presuppose or analyze any particular investment or investment strategy. This long-term hypothetical model is used to help show potential effects of market volatility and possible effects on your financial future. This is not a projection, but an illustration of uncertainty.

The simulations begin in the current year and model potential asset level changes over time. Included are all capital assets, both tax advantaged and taxable, all expenses, including education funding if applicable, pension benefits and Social Security benefits. Observing results from these large number of simulations may offer insight into the shape, trends and potential range of future retirement plan outcomes under volatile market conditions.

### Results from 10,000 Monte Carlo Simulations:

Original Retirement Capital estimate	\$1,050,530	Percentage of results above zero*	99%
Minimum (worst case) result	\$0	Percentage with \$ remaining at John's age 98	100%
Average Monte Carlo result	\$1,048,720	Percentage with \$ remaining at John's age 93	100%
Maximum Monte Carlo result	\$3,781,531	Percentage with \$ remaining at John's age 88	100%

\*Percent of times money is remaining at 103



The bold line is the estimated retirement capital value over time using fixed rates.

Current rate of return is 3.84% in the original estimate and varies from 3.38% to 4.73%, with portfolio changes.

This simulation used a 3.00% standard deviation to create ten thousand sets of normally distributed random rates of return based on the annual rates of return in the original estimate (95% of the rates fall between -2.62% and 10.73%).

A standard deviation rate of 0.00% was applied to the inflation rate used on personal expenses.

The original capital estimate indicated a possibility of having \$1,050,530 in assets remaining at last life expectancy. Monte Carlo simulation, using 10,000 trials of the same assets, income and expenses, resulted in a 99% probability of having funds remaining at last life expectancy, and an average amount of \$1,048,720 remaining.

**The Monte Carlo illustration above points out the uncertainty of future retirement capital outcomes. It is important that you return regularly for a review of your goals and financial condition, in order to assure that appropriate periodic adjustments are made to your financial affairs.**

**IMPORTANT:** The projections or other information generated in this report regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment products or results and are not guarantees of future results. Results may vary with each report and over time. Results of this simulation are neither guarantees nor projections of future results. Information is for illustrative purposes only. Do not rely on this report to predict actual performance of any investment or investment strategy.