

5 Step Roadmap to Retirement Planning



1 WHAT IS YOUR TIME HORIZON:

- What is your life expectancy? (Americans have an overall life expectancy of 78.7 years).
- What age do you expect to retire?

Nearly 48% of Americans age 55 and older don't have any retirement or a traditional pension plan according to a U.S. Government Accountability study.(1)

48%

2 Retirement Spending Needs:

- GOAL SETTING with your advisor
- What does retirement look like for me?

Pro Tip:

Live for a few months on a retirement budget as a trial run.



Live frugally?



Maintain your lifestyle?



Travel extensively?

3 Work Towards Increasing Your Investment Returns



Maximize your 401(k) and IRA (Roth) contributions.

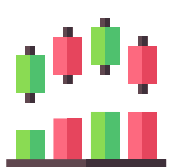


Reduce Risk

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.



Other sources of income-pension, social security annuity.



Time in the stock market.



Minimize fees.



Talk to a Financial Advisor.



4 How much to save:

• The average person will need **80%** of their pre-retirement income.

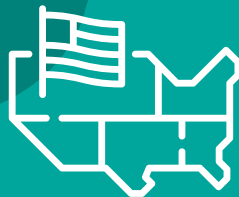
• An average retired couple age 65 in 2021 may need approximately **\$300,000** to cover medical expenses in retirement, excluding long-term care. (2)

• Know your number: Many financial experts think that people will need **\$2 million** to retire. (3)

How much to withdraw? (Taxes and Inflation):

4%

The 4 percent rule works for most people.



Move to a tax friendly state.



Use tax advantaged accounts.



Talk to your Financial advisor: how best to withdraw money and reduce taxes



Decide when to tap Social Security.

Source:

1. <https://www.gao.gov/products/gao-19-442r#summary>
2. <https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs>
3. <https://www.cnbc.com/2020/09/11/saving-for-retirement-how-to-save-2-million-on-an-average-salary.html>