



THE SOCIETY FOR FINANCIAL AWARENESS
DC Metropolitan Chapter www.dcsofa.org

Financial Blunders



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Basic Strategies to Get Started

- ▶ **HELOC**
- ▶ **Reverse Dollar Cost Averaging**
- ▶ **Liquidity**

Building an Emergency Fund



Plan for life's unexpected emergencies by setting up an Emergency Savings fund.



Set aside at least 3-6 months worth of expenses to help cope with life's emergencies.

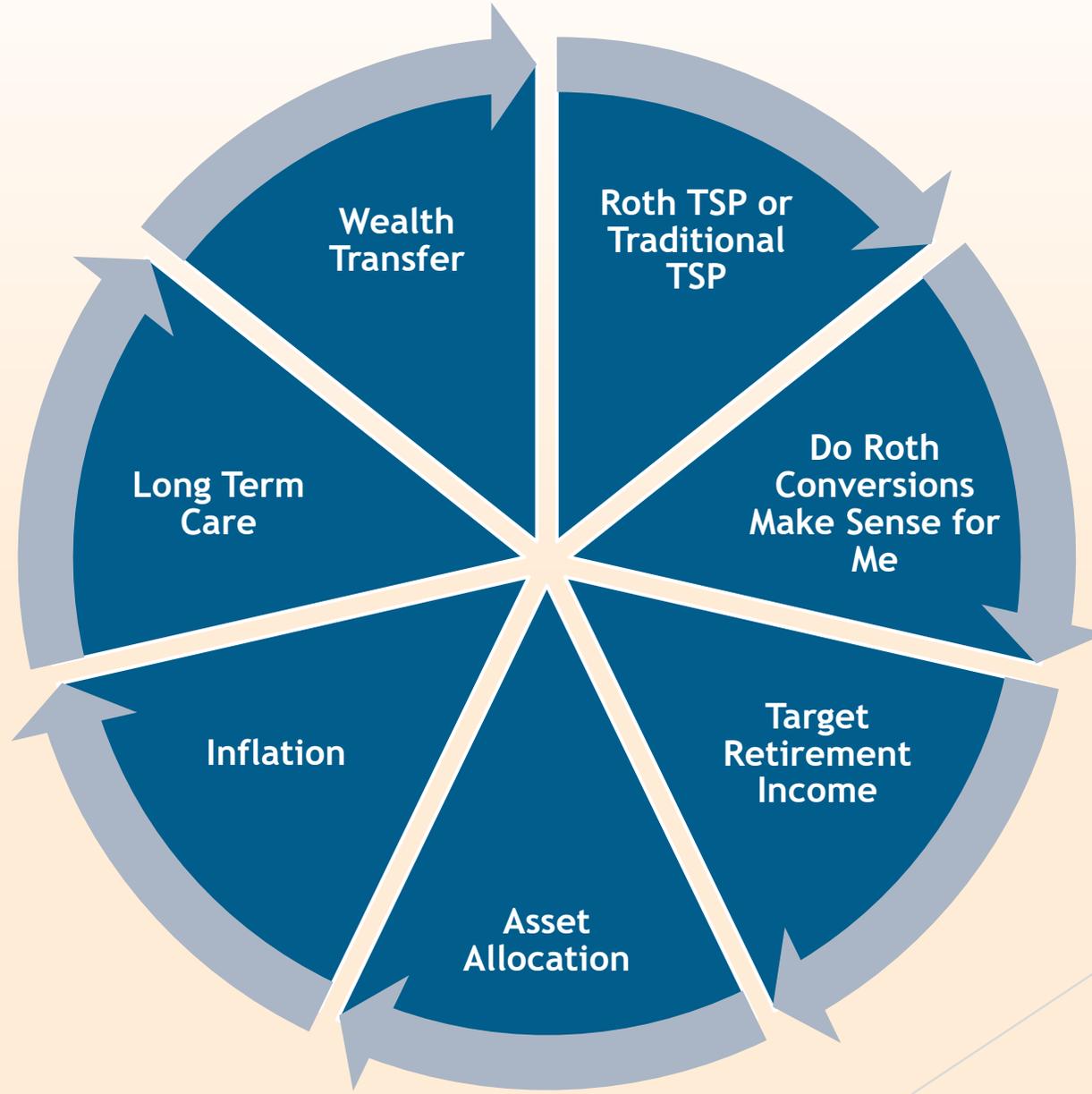


Emergencies can happen to anyone, anytime!



Seek conservative savings vehicles that keep pace with inflation.

Planning for Financial Roadblocks



ASSET ALLOCATION

Choosing Your Investment Mix

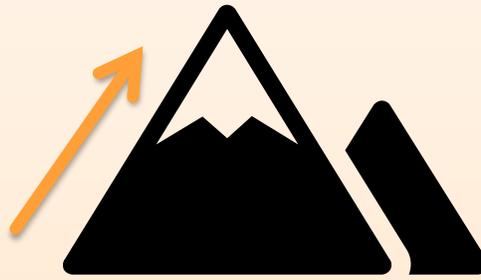
Consider...

Risk and Return



F, C, S, I

Buy and Hold



G

Diversify



Time = Sustained Risk

Review and Rebalance

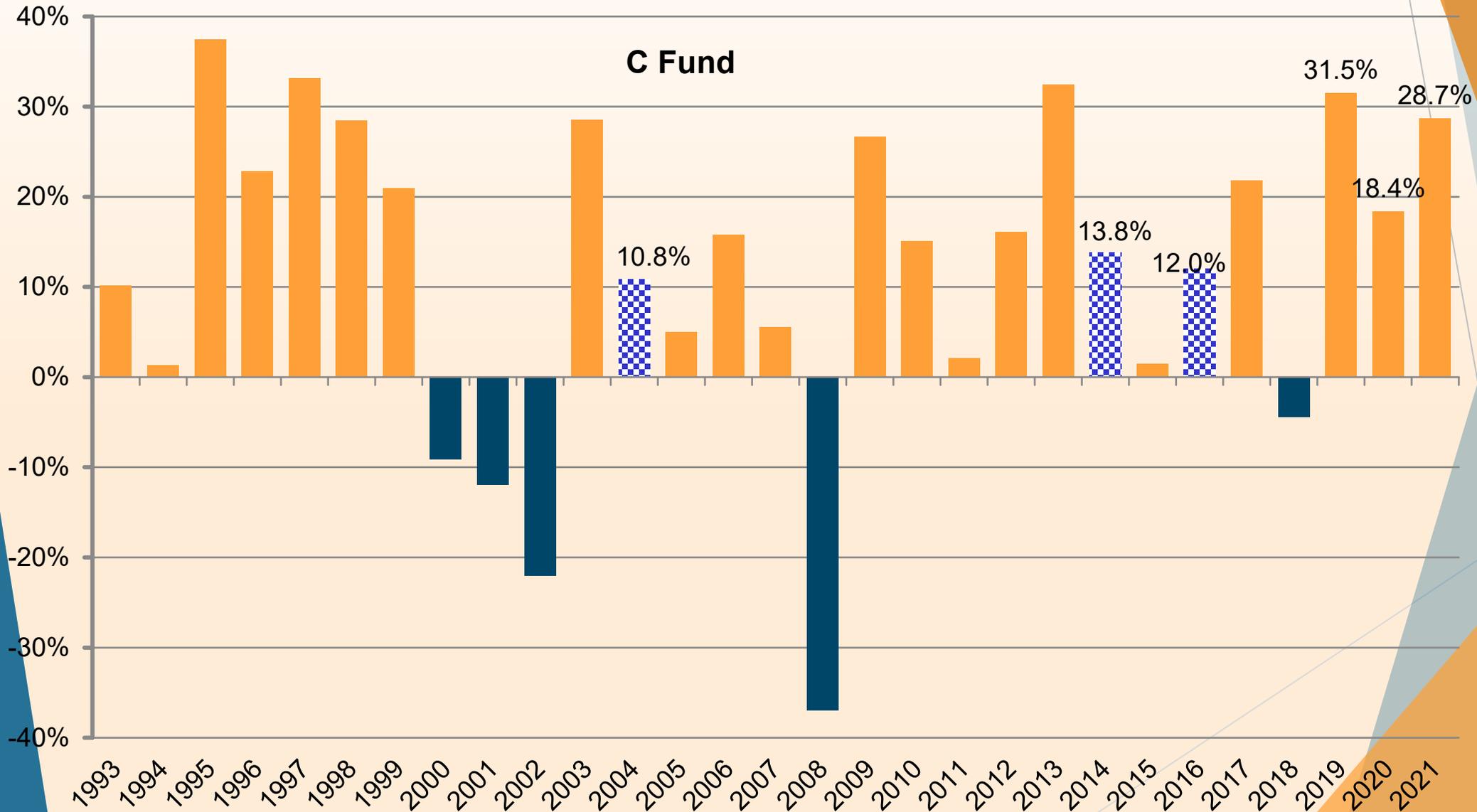
Recent Investment Returns for the TSP Funds

Rates of Return as of December 31, 2024

Year	G Fund Bonds/US Govt Short Term	F Fund Bonds/US Intermediate	C Fund Stocks- Large US Companies (S&P 500)	S Fund Stocks - Small and Medium US Companies	I Fund Stocks - International
Inception date	4/1/1987	1/29/1988	1/29/1988	5/1/2001	5/1/2001
1 year	4.42%	6.07%	15.11%	15.61%	16.91%
3 year	4.23%	2.56%	19.66%	15.24%	15.86%
5 year	3.11%	-0.64%	16.61%	11.68%	11.32%
10 year	2.65%	1.88%	13.62%	9.22%	6.78%
Since Inception	4.65%	5.29%	11.19%	9.23%	5.65%

Volatility Illustrated:

There are not many “Average” Years for the Stock Market



TSP C Fund Calendar Year Returns, 1993 to 2021

The Average Annual Return for the C Fund was 12.3% for the 29-year period. But there were only three years when the returns were close to the average (+1.5% to -1.5%). The returns for all the other years were much higher or lower. That is an example of “volatility,” the high variation in returns compared to the average.

Note: The data assumes no further contributions and reinvestment of all income. It does not account for taxes. Standard & Poor's 500 Index. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. Past performance is no guarantee of future performance. All investments involve the risk of loss. Source: TSP.gov

Asset Class Returns

2010-2024																		
Ann.	Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD	
Large Cap	Sm all Cap	REITs	REITs	REITs	Sm all Cap	REITs	REITs	Sm all Cap	EM Equity	Cash	Large Cap	Sm all Cap	REITs	Com dty.	Large Cap	Large Cap	DM Equity	
13.9%	20.6%	27.9%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	19.9%	
Sm all Cap	EM Equity	Sm all Cap	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	REITs	EM Equity	Large Cap	Cash	DM Equity	Sm all Cap	EM Equity	
10.3%	17.9%	26.9%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	15.6%	
REITs	REITs	EM Equity	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	REITs	Sm all Cap	Large Cap	Com dty.	High Yield	Small Cap	Asset Alloc.	Asset Alloc.	
9.4%	16.8%	19.2%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.9%	10.0%	7.0%	
Asset Alloc.	DM Equity	Com dty.	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Com dty.	Sm all Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	High Yield	
7.2%	16.5%	16.8%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	6.8%	
High Yield	Com dty.	Large Cap	Cash	Sm all Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Large Cap	
5.9%	16.1%	15.1%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	6.2%	
DM Equity	Large Cap	High Yield	Asset Alloc.	Large Cap	REITs	Cash	Asset Alloc.	REITs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	REITs	Com dty.	Com dty.	
5.7%	15.1%	14.8%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	5.5%	
EM Equity	Asset Alloc.	Asset Alloc.	Sm all Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	REITs	Sm all Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	Fixed Income	
3.4%	10.4%	13.3%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	4.0%	
Fixed Income	High Yield	DM Equity	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Com dty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	REITs	Cash	
2.4%	9.4%	8.2%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	2.1%	
Cash	Fixed Income	Fixed Income	Com dty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Com dty.	DM Equity	Com dty.	Com dty.	Fixed Income	Small Cap	Cash	DM Equity	REITs	
1.2%	4.7%	6.5%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	1.8%	
Com dty.	Cash	Cash	EM Equity	Com dty.	Com dty.	Com dty.	Com dty.	Cash	Cash	EM Equity	Cash	REITs	EM Equity	REITs	Com dty.	Fixed Income	Sm all Cap	
-1.0%	0.9%	0.1%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	-1.8%	

Source: Blackrock via AE Wealth Management

Asset Allocation

Percent \$ Value

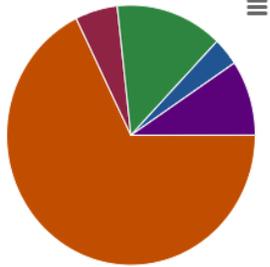
TSP: \$1,208,000
CJC Annuity:

How are you Invested In TSP:

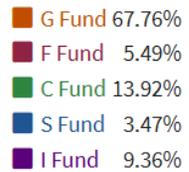
		Allocation (%)	Contribution (\$)
C Fund:		30	362400
S Fund:			
I Fund:			
F Fund:			
G Fund:		25	302000
L Fund:	L 2025	15	181200
L Fund:	L 2030	30	362400
L Fund:			
Total		100.0	\$1,208,000

L Funds Allocation Comparison

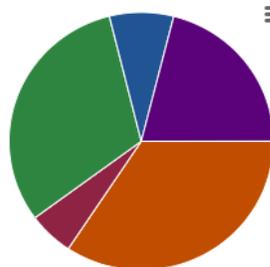
L Income



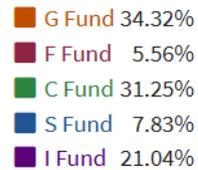
April 2025



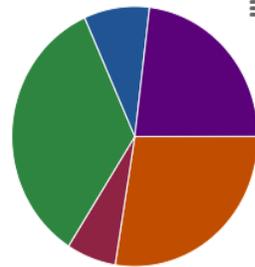
L 2030



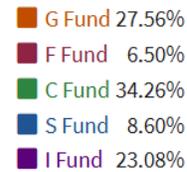
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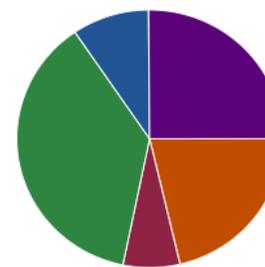
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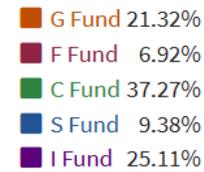
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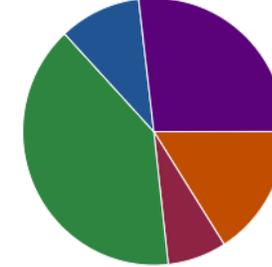
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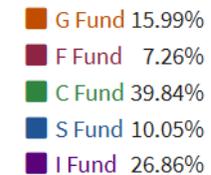
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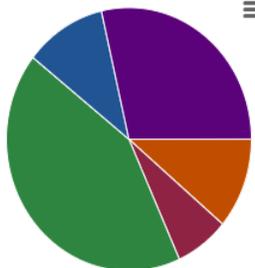
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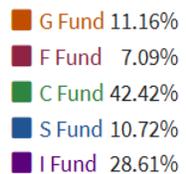
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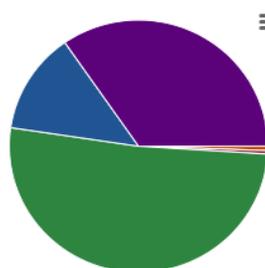
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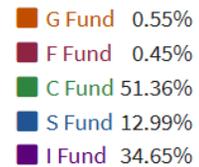
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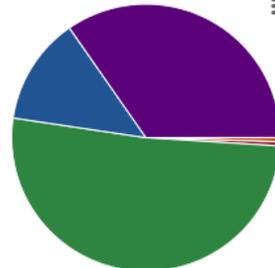
L 2055



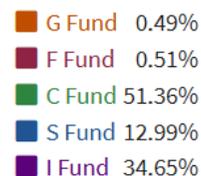
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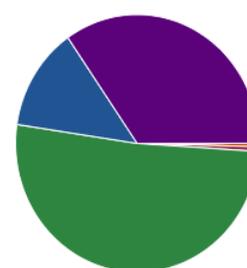
L 2060



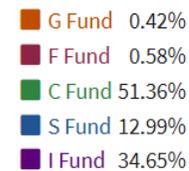
April 2025



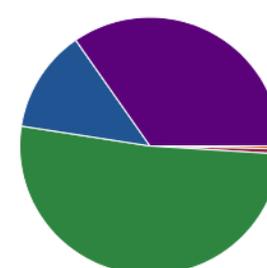
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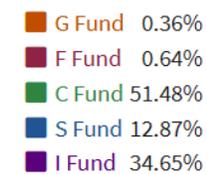
April 2025



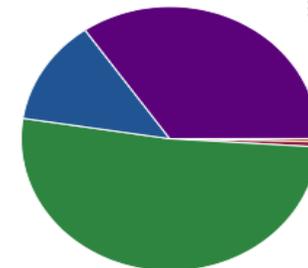
L 2070



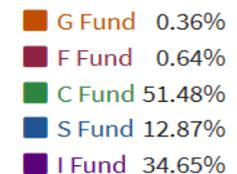
April 2025



L 2075



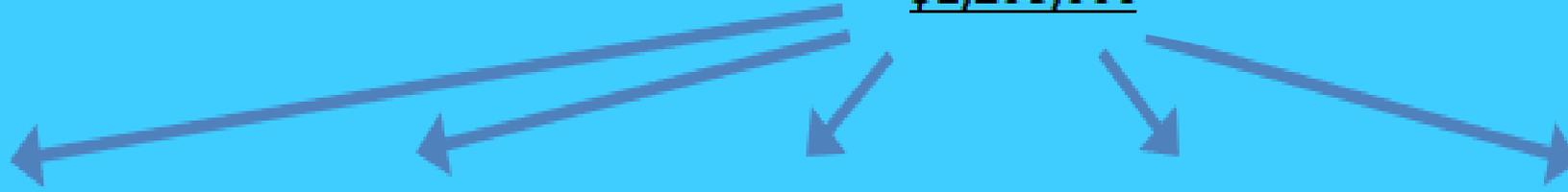
April 2025



Asset Allocation

1 – Current TSP 55% / 45%

\$1,208,000



42.9%	3.5%	8.8%	3.0%	41.8%
C	S	I	F	G
\$518,468	\$41,730	\$106,491	\$35,805	\$505,506
0%	0%	0%	0%	0%
\$0	\$0	\$0	\$0	\$0

Total Portfolio

	1,208,000					
	42.9%	3.5%	8.8%	3.0%	41.8%	100%
	\$518,468	\$41,730	\$106,491	\$35,805	\$505,506	1,208,000

	C Fund	S Fund	I Fund	F Fund	G Fund	
L 2025	\$44,557	\$11,615	\$30,242	\$11,198	\$83,588	181,200
L 2030	\$111,510	\$30,115	\$76,249	\$24,607	\$119,918	362,400
Individual	\$362,400	\$0	\$0	\$0	\$302,000	664,400

MUST HAVE A PLAN!

**Especially when you are within 10 yrs. of
RETIREMENT!!!!**

1. What is your

Withdrawal Rate Need?

2. What is your

Target Asset Allocation?

Understanding the 4% Withdrawal Rule

If an investor withdraws a fixed percentage of their assets annually for retirement expenses, what is the likelihood that they will outlive their savings?

Withdrawal Rate	100/0	75/25	50/50	25/75	0/100
3%	100%	100%	100%	100%	84%
4%	98%	100%	96%	80%	35%
5%	80%	82%	67%	31%	22%
6%	62%	60%	51%	22%	11%
7%	55%	45%	22%	7%	2%
8%	44%	35%	9%	0%	0%

Step #1:

Understanding Your Target Retirement Income (TRI)

Gross Income – Spouse A	\$150,000
Gross Income - Spouse B	\$100,000
Total Gross Income	\$250,000
Less	
TSP/401(k)	\$27,000
TSP/401(k)	\$27,000
Social Security	\$17,540
Savings	\$0
Mortgage	\$0
Roth TSP	\$0
Roth	\$0
Non/Qualified IRA	\$0
College	\$0
Credit Cards	\$0
Tax Equivalent	\$0
Total Payments	\$71,540
Target Retirement Income	\$178,460

Step #2: Understanding Your Investment Income Need

Target Retirement Income	\$178,460
Social Security	(\$52,775)
Pension	(\$67,511)
Investment Income Needed	\$58,174

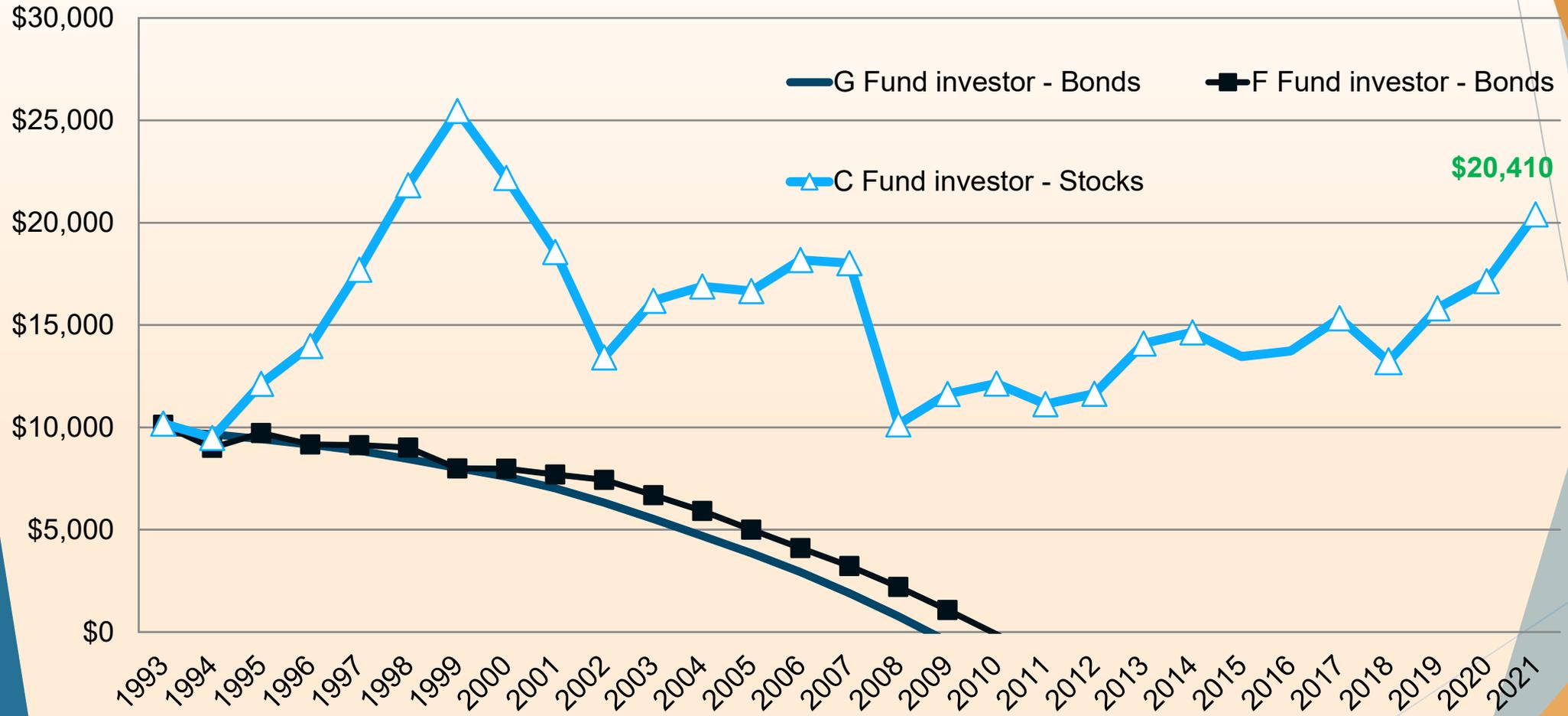
Inflation	Income	W/D		ASSETS & INCOME	ROR	Withdrawal Rate Pressure
0.0%	\$52,775	←	GUARANTEED	Social Security		<p>3.64%</p>
0.0%	\$67,511	←		Pensions		
	\$120,286	←		Total Guaranteed Income		
<input checked="" type="checkbox"/> Auto Adjust	\$58,240	← 3.64%	NON-GUARANTEED	Investment Income \$1,600,000	4.0%	
	\$178,526	←		Total Guaranteed & Non guaranteed Income		
0.0%	\$178,460	←		Target Retirement Income		

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Rates of Return as of December 31, 2024

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Loss of Purchasing Power: What Happens When You Start Spending?

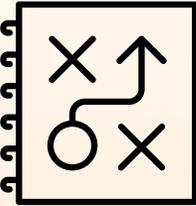


Example:

At the beginning of 1993, retirees Bill, Jack, and Mary each have \$10,000 in the TSP. They each invest in one fund: Bill in G, Jack in F and Mary in C.

They annually withdraw enough to buy 2000 first class stamps (after paying taxes of 30%).

*Note: This is for illustration purposes only. Past performance is no guarantee of future performance.
All investments involve the risk of loss. The data assumes reinvestment of all income.*



Tax Strategies

6

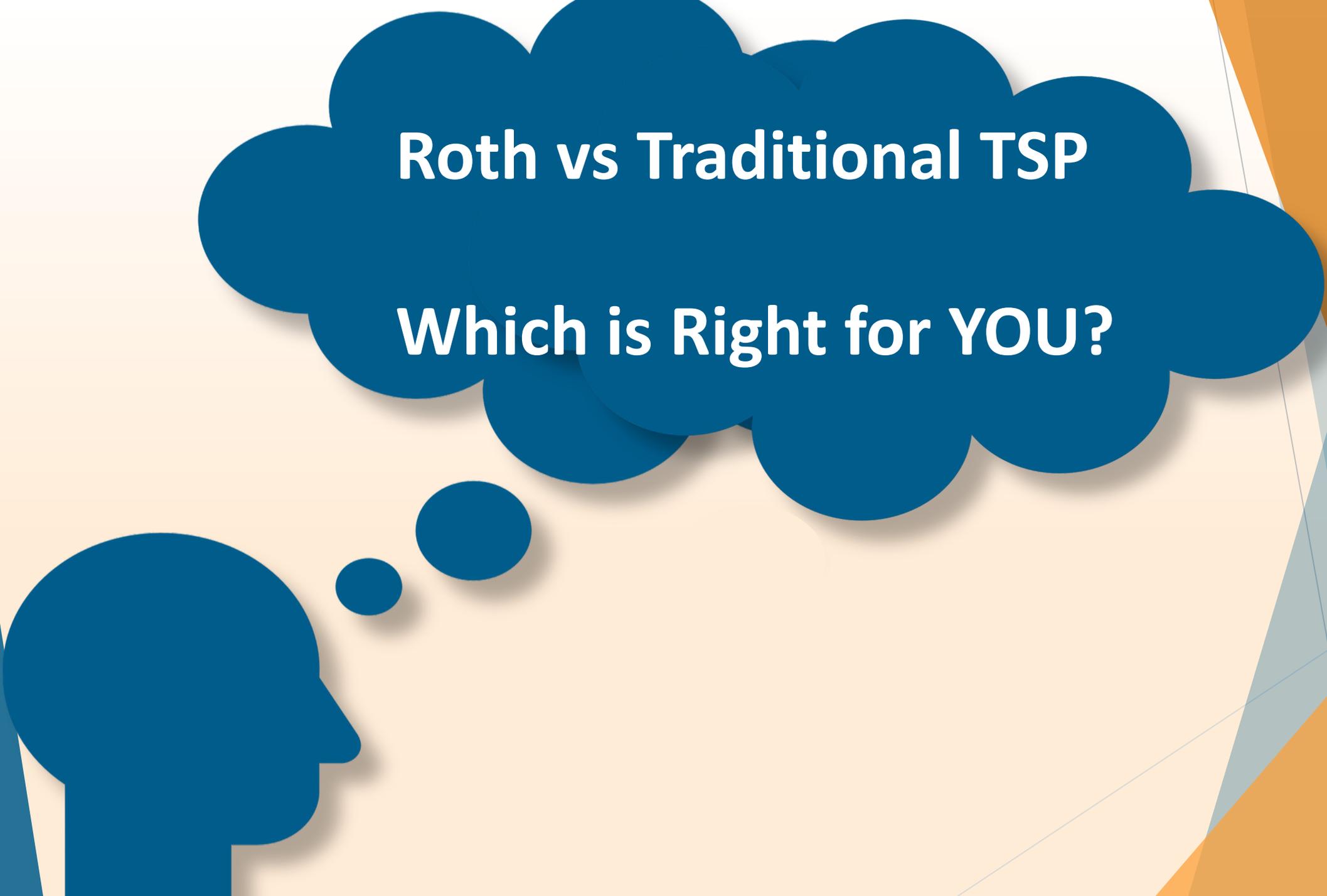
CRT 5

Life Insurance 4

1 Marginal Tax Brackets

2 Taxable / Tax-Free / Tax Deferred

3 Roth Strategies



Roth vs Traditional TSP

Which is Right for YOU?

IRS Form 1040

Form **1040** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **2024** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2024, or other tax year beginning _____, 2024, ending _____, 20_____ See separate instructions.

Your first name and middle initial _____ Last name _____ Your social security number _____

If joint return, spouse's first name and middle initial _____ Last name _____ Spouse's social security number _____

Home address (number and street). If you have a P.O. box, see instructions. _____ Apt. no. _____ Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
 You Spouse

City, town, or post office. If you have a foreign address, also complete spaces below. _____ State _____ ZIP code _____

Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____

Filing Status Single Head of household (HOH)
 Married filing jointly (even if only one had income)
Check only one box. Married filing separately (MFS) Qualifying surviving spouse (QSS)
If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: _____
 If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required): _____

Digital Assets At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1960 Are blind **Spouse:** Was born before January 2, 1960 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

If more than four dependents, see instructions and check here

Income

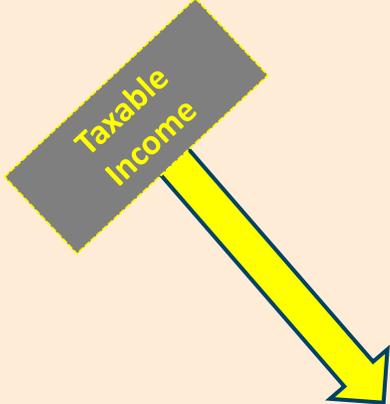
1a	1b	1c	1d	1e	1f	1g	1h	1i	1z
Total amount from Form(s) W-2, box 1 (see instructions)	Household employee wages not reported on Form(s) W-2	Tip income not reported on line 1a (see instructions)	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	Taxable dependent care benefits from Form 2441, line 26	Employer-provided adoption benefits from Form 8839, line 29	Wages from Form 8919, line 6	Other earned income (see instructions)	Nontaxable combat pay election (see instructions)	Add lines 1a through 1h
2a	2b	3a	3b	4a	4b	5a	5b	6a	6b
Tax-exempt interest	Taxable interest	Qualified dividends	Ordinary dividends	IRA distributions	Taxable amount	Pensions and annuities	Taxable amount	Social security benefits	Taxable amount
7	8	9	10	11	12	13	14	15	16
Capital gain or (loss). Attach Schedule D if required. If not required, check here	Additional income from Schedule 1, line 10	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	Adjustments to income from Schedule 1, line 26	Subtract line 10 from line 9. This is your adjusted gross income	Standard deduction or itemized deductions (from Schedule A)	Qualified business income deduction from Form 8995 or Form 8995-A	see instructions.	Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income	

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

Attach Sch. B if required.

Standard Deduction for—
• Single or Married filing separately, \$14,600
• Married filing jointly or Qualifying surviving spouse, \$29,200
• Head of household, \$21,900
• If you checked any box under Standard

see instructions.



Target Retirement Income



Gross Income - Sue	\$107,000
Gross Income - Bill	\$0
Total Gross Income	\$107,000
Less	
TSP/401(k)	\$24,500
IRA	\$6,500
Social Security	\$6,634
IRA	\$6,500
Mortgage	\$0
College	\$0
Credit Cards	\$0
Debts	\$0
Tax Equivalent	\$0
Non/Qualified IRA	\$0
Roth	\$0
Total Payments	\$44,134
Target Retirement Income	\$62,866

SUE RETIRE

Total Income	\$107,000
---------------------	------------------

0	0	0
---	---	---

0

Additional Information

Sue 62-70

Bill 62-70

Retirement Income Projections

Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	3%	0%	401k & IRA	\$31,506
			TOTAL	\$50,342

Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,750
			TOTAL	\$12,750

0%	W/D Rate from Cash Assets	\$0
		\$0

Total Income at year # 8 = \$63,092

0.0% Target Retirement Income \$62,866

Employee	Match	Add.
----------	-------	------

Regular Savings	CD's	College Savings
Savings 101,000		
Tax Deferred	Roth	401k & IRA
	roth 68,640	IRA 578,760
		TSP 347,880
Tax Deferred	Roth	IRA
	roth 22,880	IRA 318,760

Rate	Future Value
------	--------------

1%	109,369
1%	0
1%	0

Rate	Future Value
------	--------------

4%	0
4%	93,939
4%	966,258

Rate	Future Value
------	--------------

4%	0
4%	31,313
4%	314,061

0	0	0
---	---	---

Savings Type Assets Total 1,514,938

Government Bonds	Corporate Bonds	BoA Trust
		26,250

Rate	Future Value
------	--------------

5%	0
5%	0
5%	28,782

RMD & SS

Total Income		\$107,000		
Additional Information				
Sue 70-100				
Bill 70-100				
Retirement Income Projections				
Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$32,000
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	401k & IRA	\$38,650
	TOTAL			\$89,486
Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$32,000
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,562
	TOTAL			\$44,562
0%	W/D Rate from Cash Assets		\$0	
			\$0	
Total Income at year # 30 = \$134,049				
0.0%	Target Retirement Income		\$62,866	

0	0	0
Employee	Match	Add.
0	0	0

Regular Savings		CD's	College Savings		Rate	Future Value
Savings	109,369				1%	147,412
					1%	0
					1%	0
Tax Deferred		Roth	401k & IRA			
			IRA	603,504	4%	0
					4%	304,680
		roth	93,939		4%	879,550
			TSP	362,753		
Tax Deferred		Roth	IRA			
					4%	0
					4%	101,560
		roth	31,313		4%	285,878
			IRA	314,061		
Savings Type Assets Total						1,719,080

Government Bonds	Corporate Bonds	BoA Trust	Rate	Future Value
			5%	0
		38,783	5%	0
			5%	0

What is Your Tax Bracket?

Your Line 15: \$183,000 ~ So,
what marginal rate are you in
now?

How many
of you
think you
will be in
a lower
tax
bracket
when you
retire?

Tax Bracket 2025

Tax Rate	For Single Filers	For Married Individuals Filing Joint Returns	For Heads of Households
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000
12%	\$11,925 to \$48,475	\$23,850 to \$96,950	\$17,000 to \$64,850
22%	\$48,475 to \$103,350	\$96,950 to \$206,700	\$64,850 to \$103,350
24%	\$103,350 to \$197,300	\$206,700 to \$394,600	\$103,350 to \$197,300
32%	\$197,300 to \$250,525	\$394,600 to \$501,050	\$197,300 to \$250,500
35%	\$250,525 to \$626,350	\$501,050 to \$751,600	\$250,500 to \$626,350
37%	\$626,350 or more	\$751,600 or more	\$626,350 or more

SUE RETIRE

Total Income	\$107,000
---------------------	------------------

0	0	0
---	---	---

0

Additional Information

Sue 62-70

Bill 62-70

Retirement Income Projections

Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	3%	0%	401k & IRA	\$31,506
			TOTAL	\$50,342

Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,750
			TOTAL	\$12,750

0%	W/D Rate from Cash Assets	\$0
		\$0

Total Income at year # 8 = \$63,092

0.0% Target Retirement Income \$62,866

Employee	Match	Add.
----------	-------	------

Regular Savings	CD's	College Savings
Savings 101,000		
Tax Deferred	Roth	401k & IRA
	roth 68,640	IRA 578,760
		TSP 347,880
Tax Deferred	Roth	IRA
	roth 22,880	IRA 318,760

Rate	Future Value
------	--------------

1%	109,369
1%	0
1%	0

4%	0
4%	93,939
4%	966,258

4%	0
4%	31,313
4%	314,061

0	0	0
---	---	---

Savings Type Assets Total 1,514,938

Government Bonds	Corporate Bonds	BoA Trust
		26,250

Rate	Future Value
5%	0
5%	0
5%	28,782

What is Your Tax Bracket?

Your Line 15: \$183,000 ~ So,
what marginal rate are you in
now?

How many
of you
think you
will be in
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bracket
when you
retire?

Tax Bracket 2025

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32%	\$197,300 to \$250,525	\$394,600 to \$501,050	\$197,300 to \$250,500
35%	\$250,525 to \$626,350	\$501,050 to \$751,600	\$250,500 to \$626,350
37%	\$626,350 or more	\$751,600 or more	\$626,350 or more

A Traditional TSP

B Roth/Roth TSP

Years ---> 1 -- 20

\$18,000 @ 5% ROR → 401(k)



Accumulated: **\$624,947**
X 4% W/D

\$24,997
(taxes, Fed 25% + State 6%) - \$7,749

\$17,248.00

Years ---> 1 -- 20

\$18,000 x 25% Fed + 6% State =
\$12,420 @ 5% ROR → Roth

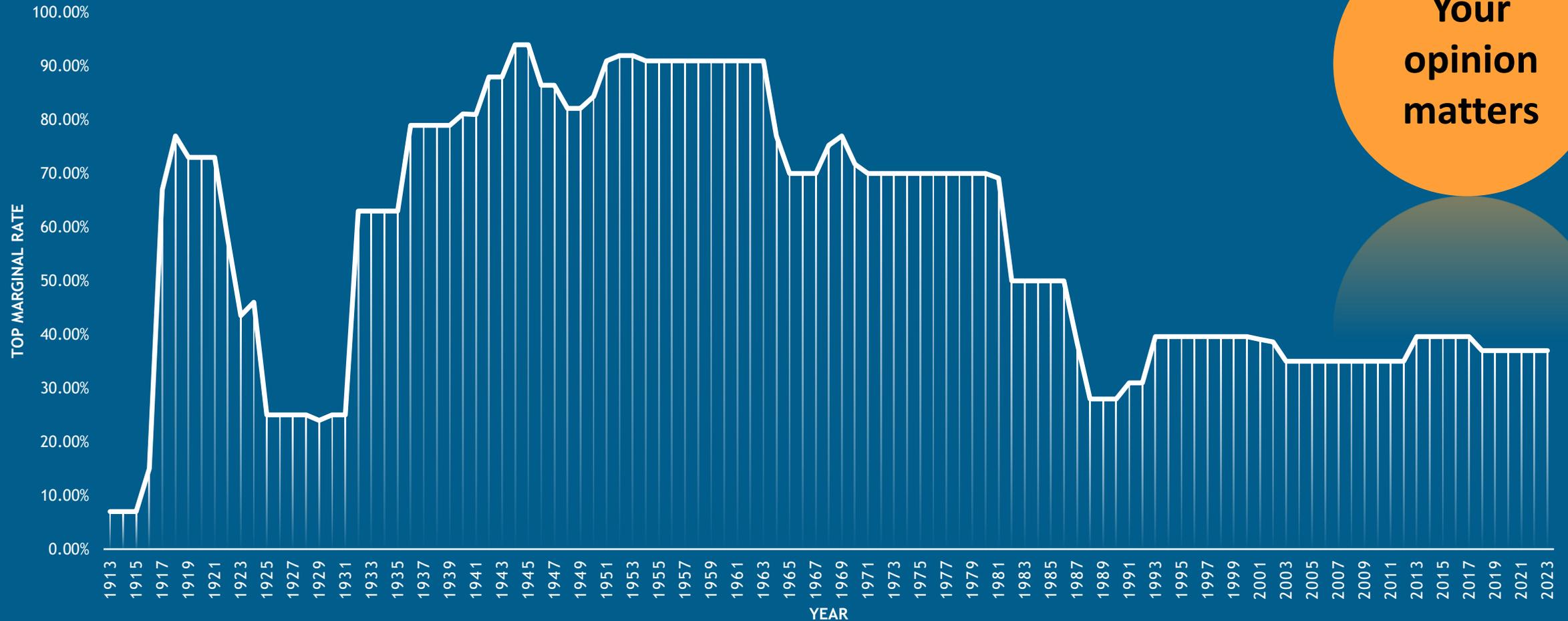


Accumulated: **\$431,213**
X 4% W/D

\$17,248.00

Where Do You Think Taxes Will Be in Your Future?

HISTORICAL HIGHEST MARGINAL INCOME TAX RATES



Your
opinion
matters

▶ The data referenced in this chart we created is from the Tax Policy Center: <https://taxpolicycenter.org/statistics/historical-highest-marginal-income-tax-rates>

▶ This table contains a number of simplifications and ignores a number of factors, such as the amount of income or types of income subject to the top rates, or the value of standard and itemized deductions. Sources: IRS Revenue Procedures, various years. Also, Eugene Steuerle, The Urban Institute; Joseph Pechman, *Federal Tax Policy*; Joint Committee on Taxation, Summary of Conference Agreement on the Jobs and Growth Tax Relief Reconciliation Act of 2003, JCX-54-03, May 22, 2003.

How Will You Pay for LTC?

- Pay out-of-pocket - Self Insure
- Rely on government programs such as Medicare or Medicaid
- Buy long-term care insurance
- Life Insurance with LTC Rider/or Hybrid Policy
- Elder Care Planning

Existing Policies Premium Rate Increases

State	Filer	Calculated premium change (\$M)	Written premium (\$M)	Approved rate change (%)*	Number of policyholders affected	Renewal business effective date
VA	Genworth Life Insurance Co.	9.7	26.9	36.1	10,228	04/21/22
OH	Genworth Life Insurance Co.	9.7	14.8	65.4	6,713	03/31/22
PA	John Hancock	7.5	12.7	59.1	4,760	05/09/22
TN	Genworth	5.5	9.2	59.5	4,431	04/27/22
KY	Genworth	5.1	12.7	39.9	4,617	03/31/22
IA	Genworth	5.0	10.6	47.4	2,612	02/18/22
NE	Medico	4.9	4.6	107.1	2,383	01/01/22
AL	Genworth	4.7	31.0	15.0	8,321	03/14/22
TX	Atlantic American	4.6	7.5	62.2	2,821	01/29/22
NE	Ability Insurance Co. ²	4.6	8.1	56.7	2,024	01/13/22

**11%
Annual
Increase!**

Date compiled Aug 4, 2022

LTC = long-term care

Information collected on a best-effort basis. Rate filing information is sourced from the System for Electronic Rate and Form Filing documents.

Reflects individual long-term care rate filings for Type of Insurance LTC021, LTC031, LTC041 and LTC051 with renewal business effective dates between Jan. 1 and June 30, 2022. Excludes pending, disapproved and withdrawn filings; filings where rate change was zero; filings where data on the premium impacted was unavailable; filings where the disposition table was unavailable, notably in the state of Florida.

Written premium, calculated premium change, approved rate change and number of policyholders affected are based on disposition section of rate filings. Approved rate change reflects the calculated premium change divided by written premium.

Top 10 filings shown are based on calculated premium change.

*Approved rate change shown may be the ultimate increase as some states cap the amount an insurer can raise rates in a given year.

¹ Adjustments made to values shown due discrepancies between disposition table and correspondence from the state insurance regulators within the filing.

² Include LTC premium changes for policies of medico Insurance Co. that have been novated over to Ability Insurance Co.

Source: S&P Global Market Intelligence

Stress Test Your LTC Premiums

<u>Beginning Balance</u>	<u>Gross Level ROR</u>
\$3,930	11.00
<u>Annual Additions or Withdrawals</u>	<u># of Years</u>
\$0	20
	<u>Ord. Inc. Tax Rate%</u>
	0.00
	Federal + State

<u>Year</u>	<u>Beginning Balance</u>
1	3,930
2	4,272
3	4,643
4	5,046
5	5,485
6	5,961
7	6,479
8	7,042
9	7,654
10	8,320
11	9,042
12	9,828
13	10,682
14	11,611
15	12,620
16	13,716
17	14,908
18	16,204
19	17,612
20	19,142

Can you afford this?

Life Insurance Policy w/ LTC Rider

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	40	10,000	131,352	424,819
11	50	0	172,900	570,921
20	59	0	139,300	744,923

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	50	10,000	130,764	422,917
11	60	0	135,800	568,365
20	69	0	130,764	741,588

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	60	10,000	115,808	374,547
11	70	0	115,808	503,360
20	79	0	115,808	656,537

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	65	10,000	92,786	300,089
11	75	0	100,000	403,295
20	84	0	100,000	526,208

Estate Planning Tips

Wills vs.
Trusts

Revocable
Living
Trusts

Avoiding
Probate

Death
Taxes

Gifting

Survivor
Benefit
Pension

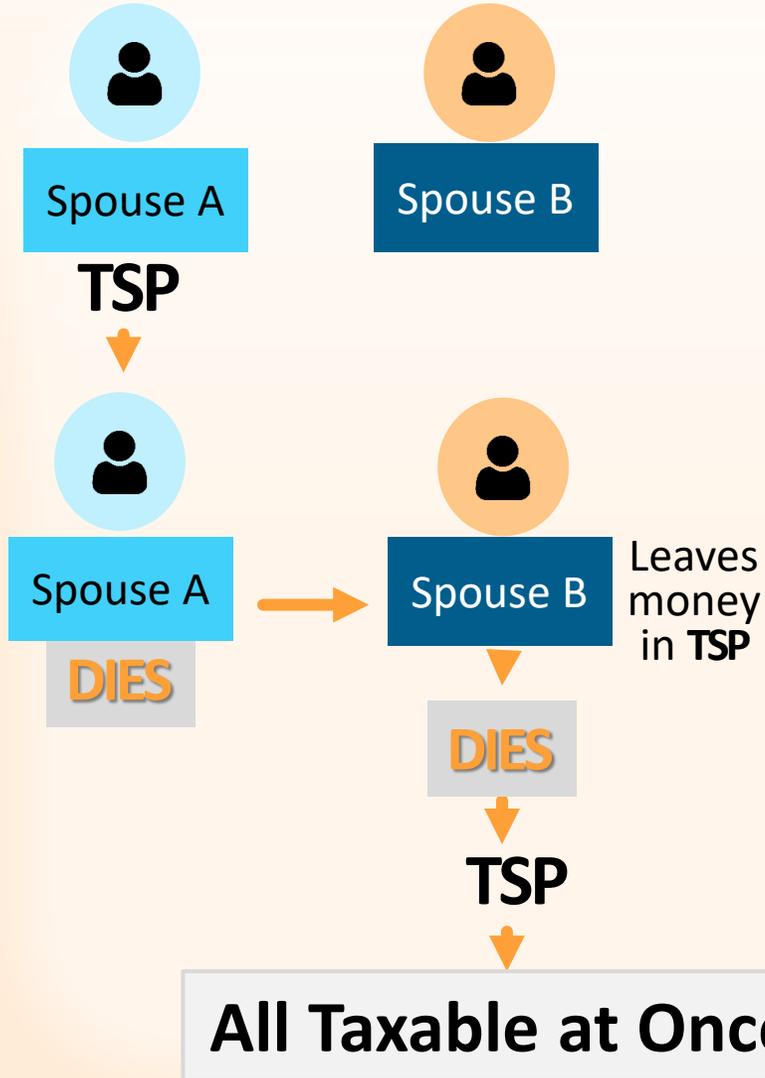
Life
Estates,
POD's,
TOD's

Stretch IRA is Back

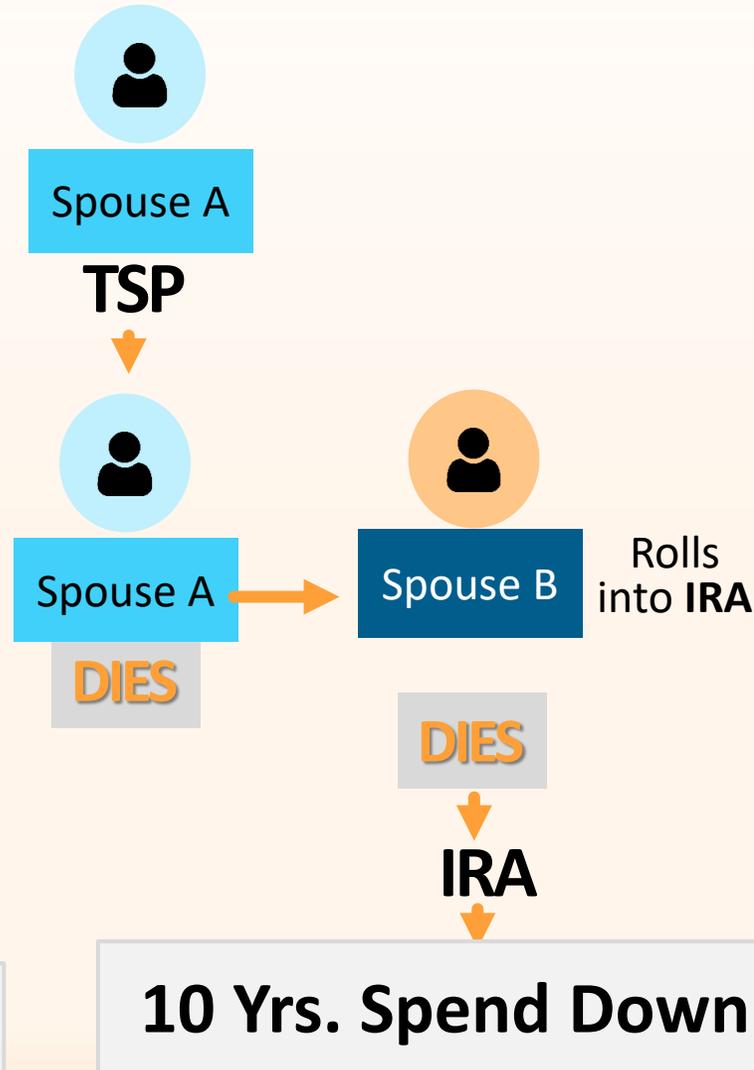


Secure Act 2.0

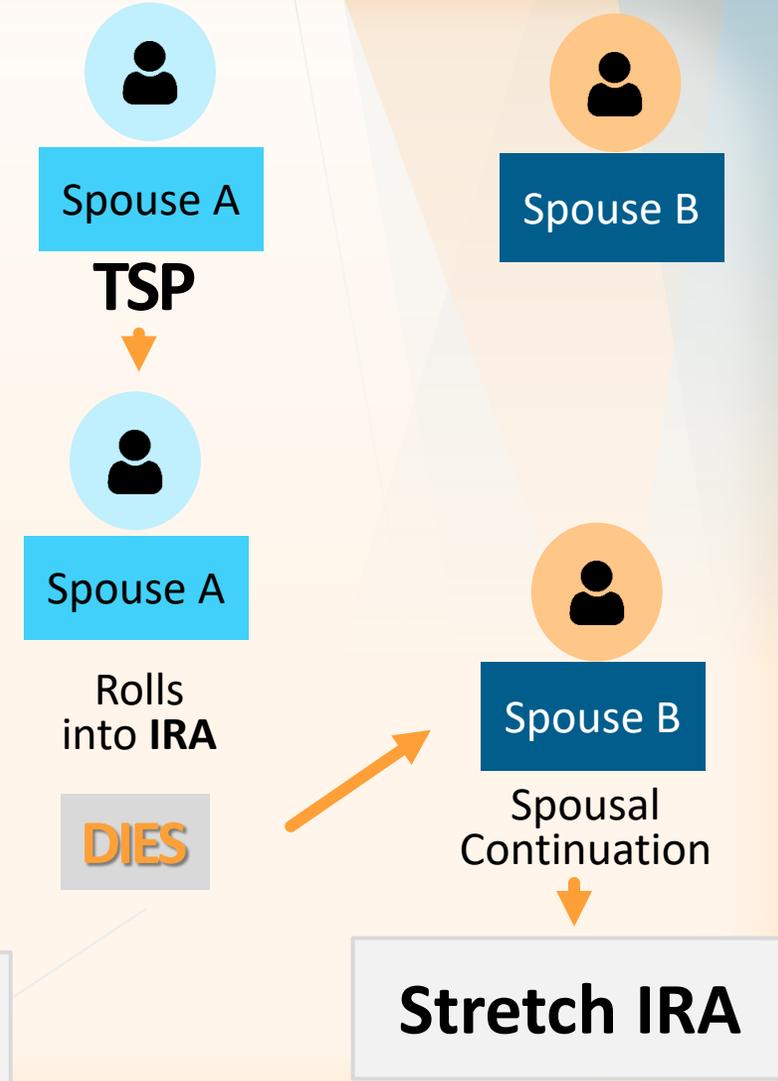
Scenario 1

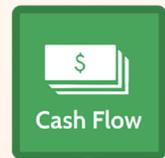


Scenario 2



Scenario 3





Protection

Savings

Growth





THE SOCIETY FOR FINANCIAL AWARENESS
DC Metropolitan Chapter www.dcsofa.org

Thank you for your time today.
Kindly fill out our feedback survey:
<https://www.surveymonkey.com/r/DCSOFASURVEY>



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