



THE SOCIETY FOR FINANCIAL AWARENESS  
DC Metropolitan Chapter [www.dcsdfa.org](http://www.dcsdfa.org)

# PLANNING VS INVESTING

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# CASE STUDY

## Risk Tolerance

You completed a risk questionnaire using advanced quantitative risk technology on March 28, 2019. The results were as follows.

On a scale of 1 to 99, with higher numbers indicating higher risk tolerance, your answers to the risk questionnaire resulted in a score of 62.



This means that over the next six months, you are comfortable risking a loss of -13% or -\$64,290, in exchange for the chance of making a gain of +20% or +\$98,890.

This range describes the "comfort zone" for your investments. Over the next six months, it represents a hypothetical target that you would prefer to keep your investments within. There is no guarantee any investments would perform within the range.

## Investment Goals

When completing your risk questionnaire on March 28, 2019, you selected the following goals for your investments:

- Wealth accumulation
- Retirement
- Income

## Age and Retirement Horizon

When completing your risk questionnaire on March 28, 2019, you provided the following data about your age and retirement horizon:

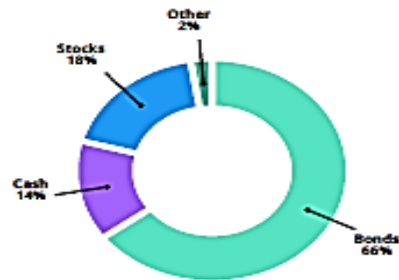
You were born in 1965. You intend to retire at age 60.

# ASSET ALLOCATION

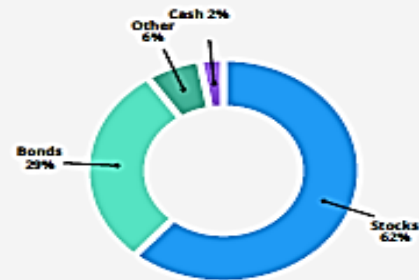
Asset classification is depicted below for the portfolio(s) in this report. The ratios depicted for Stocks, Bonds, Cash, and Other, are reflective of current value for the portfolio(s) shown, and are subject to change along with changes to the portfolio value.

Portfolio asset allocations are defined as follows:

- Stocks: Individual equities, along with equity portions of mutual funds and ETFs.
- Bonds: Individual bonds, along with fixed income portions of mutual funds and ETFs.
- Cash: Cash, Money Market funds, along with portions of mutual funds and ETFs allocated to cash.
- Other: Non-Traded REITs/DPPs, Variable Annuities and any other custom allocation or any security unrecognized by Riskalyze.



CURRENT



TARGET

● Stocks	17.95%	62.49%
● Bonds	66.20%	29.46%
● Cash	14.25%	2.09%
● Other	1.60%	5.96%

# ASSET ALLOCATION

Stocks	Bonds
84%	16%
64%	36%
20%	80%

# SEQUENCE OF RETURNS RISK

PROBLEM

Year	BOY Balance	Return	Withdrawal	EOY Balance
1973	\$1,000,000	-14.67%	\$79,713	\$785,281
1974	\$785,281	-26.31%	\$79,713	\$519,934
1975	\$519,934	37.14%	\$79,713	\$603,719
1976	\$603,719	23.81%	\$79,713	\$648,772
1977	\$648,772	- 7.19%	\$79,713	\$528,144
1978	\$528,144	6.52%	\$79,713	\$477,670
1979	\$477,670	18.45%	\$79,713	\$471,380
1980	\$471,380	32.45%	\$79,713	\$518,764
1981	\$518,764	- 4.88%	\$79,713	\$417,625
1982	\$417,625	21.50%	\$79,713	\$410,564

Year	BOY Balance	Return	Withdrawal	EOY Balance
1983	\$410,564	22.46%	\$79,713	\$405,161
1984	\$405,161	6.22%	\$79,713	\$345,691
1985	\$345,691	31.64%	\$79,713	\$350,134
1986	\$350,134	18.62%	\$79,713	\$320,774
1987	\$320,774	5.18%	\$79,713	\$253,548
1988	\$253,548	16.61%	\$79,713	\$202,710
1989	\$202,710	31.69%	\$79,713	\$161,975
1990	\$161,975	-3.10%	\$79,713	\$79,713
1991	\$79,713	30.47%	\$79,713	\$ 0
19 Yrs. Average ROR		12.98%	\$1,514,547	DEPLETED

COMPARE

1973 - 1991

1991 - 1973

Figure 2: Forward running return sequence of \$1,000,000 – S&P 500 portfolio with annual withdrawals of \$79,713  
Other starting years, rate of return sequences, market indexes, and life horizons will produce different results.

# AVERAGE VS ACTUAL

## Average Return vs. Actual Return

Initial Balance

	Year	Annual Return	Annual Gain/(Loss)	End of Year Account Balance
	1	50.00%	\$50,000	\$150,000
	2	-50.00%	-\$75,000	\$75,000
	3	150.00%	\$112,500	\$187,500
	4	-50.00%	-\$93,750	\$93,750
				

Average Return: 25.00 %

Actual Return: -6.25 %

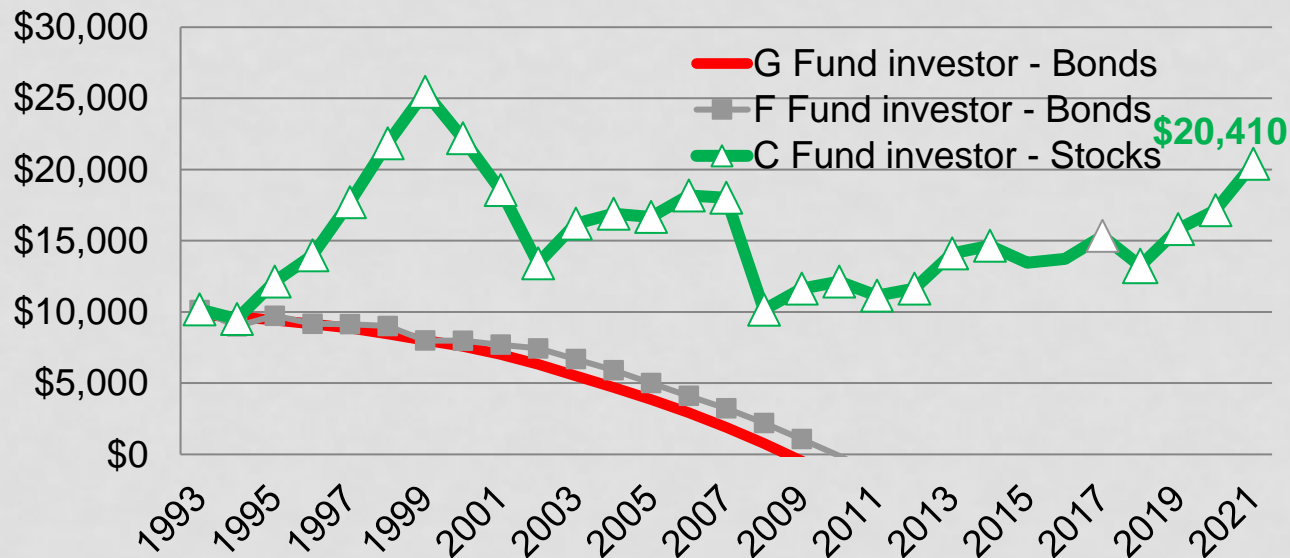
**HAVE YOU HEARD....**

**The CLOSER you get  
to retirement**

**The MORE conservative  
you get**

# 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.





# The Problem

Most people make financial decisions:

- One at a time
- At different times
- With different people
- Under different economic circumstances

This creates what we call the Financial Junk Drawer

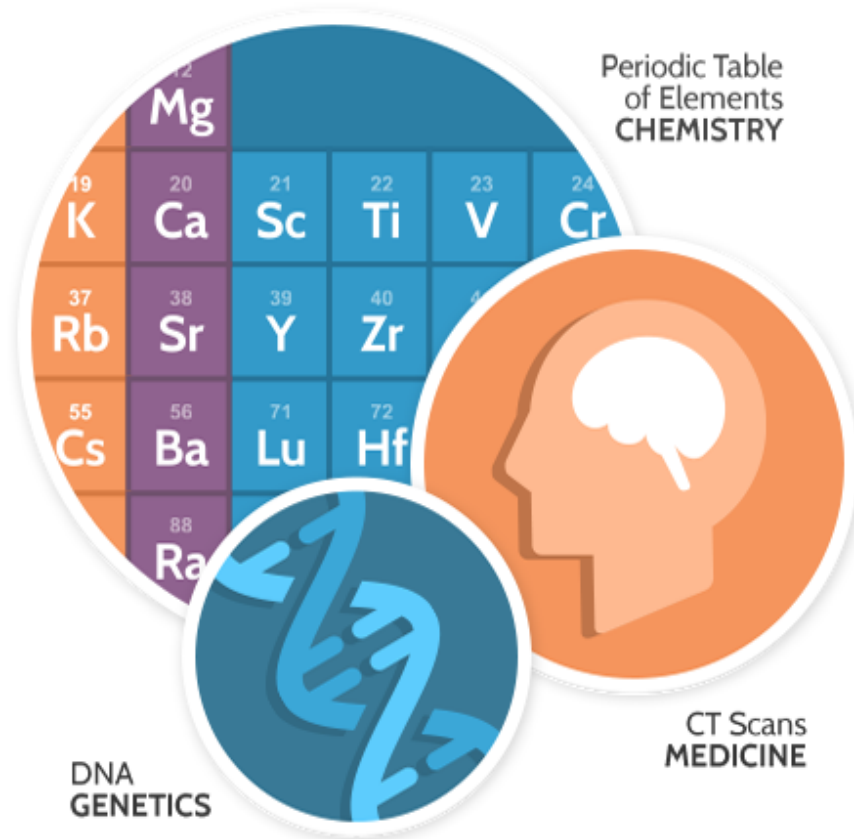
# Junk Drawer

Having a "financial junk drawer" undermines our chances for financial success.

The Junk Drawer characteristics:

- Disorganized
- Uncoordinated
- Non-integrated
- Inefficient
- Ineffective
- Hard to manage

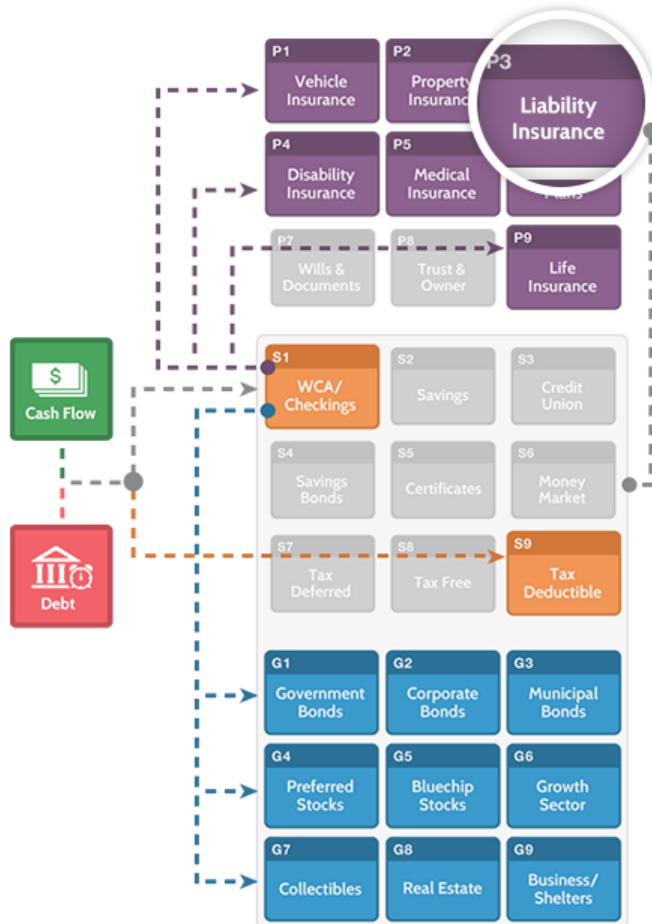




## The Solution: Starts With a Structural Model

This approach uses principles, laws and strategies to align and position elements in a more "scientific" manner. In our financial life, this means overcoming Financial Junk Drawer and benefiting from being:

- Organized
- Rules-based
- Optimized
- Efficient
- Measurable
- Coordinated

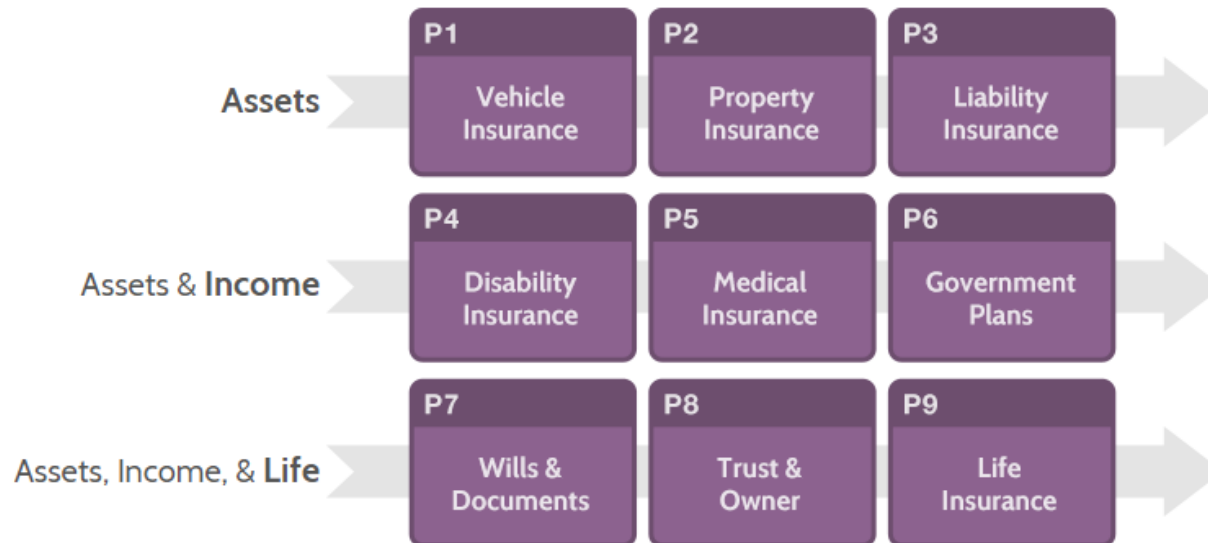


## The Coordination Review

This review is intended to uncover and reallocate unused dollars to create additional money supply and superior benefits for you and your family. This is done by identifying how certain elements integrate for more efficient and effective results.

# Protection

Full protection is critical for guarding against unforeseen events that can strike at any time and affect your financial future.



# ASSET ALLOCATION

Stocks	Bonds
84%	16%
64%	36%
20%	80%

# UNDERSTANDING THE 4% WITHDRAWAL RULE

The Trinity University study (one of the most widely-cited papers in retirement planning) aims to cut through all of that complexity and boil down drawdown strategies down to a single number. If an investor withdraws a fixed percentage of their assets annually for retirement expenses, what is the likelihood that they will outlive their savings?

The 4% withdrawal rate and a 50/50 or 75/25 portfolio gives excellent portfolio success rates:

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%

## **You need to have significant stock exposure during retirement**

Most investors assume that in retirement, you need to become extra conservative in your investments to avoid big market losses. It turns out that the opposite is true. According to the results of this study, a 50/50 portfolio would be the minimum stock allocation to maintain a high portfolio success rate using a 4% withdrawal rate. A 75/25 portfolio could potentially have a higher portfolio success rate and end of retirement portfolio value. A 100% bond portfolio fails more than half the time using the 4% withdrawal rule.

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## Target Retirement Income

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Show/Hide Target Retirement

Gross Income - Sue	\$107,000
Gross Income - Bill	\$0
	\$0
<b>Total Gross Income</b>	<b>\$107,000</b>
<b>Less</b>	
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
<b>Total Payments</b>	<b>\$44,134</b>
<b>Target Retirement Income</b>	<b><u>\$62,866</u></b>



# PRESENT

<b>Total Income</b>		<b>\$107,000</b>	
Additional Information			
Sue 61-62;			
Bill 61-62			
<b>Retirement Income Projections</b>			
Sue	COLA 0%	Pension	\$0
	WD 0%	Social Security	\$0
	0%	Tax Deferred	\$0
	0%	Roth	\$0
	0%	401k & IRA	\$0
	<b>TOTAL</b>		<b>\$0</b>
Bill	COLA 0%	Pension	\$0
	WD 0%	Social Security	\$0
	0%	Tax Deferred	\$0
	0%	Roth	\$0
	0%	IRA	\$0
	<b>TOTAL</b>		<b>\$0</b>
W/D Rate from Cash Assets		\$0	
		\$0	
Total Income at year # 1 =		\$0	
0.0%	Target Retirement Income	<b>\$62,866</b>	

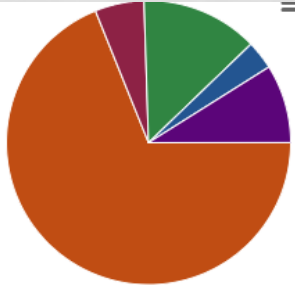
0	2,360	0			0
Employee	Match	Add.	Regular Savings	CD's	College Savings
			Savings 100,000		
					Rate Future Value
					1% 101,000
					1% 0
					1% 0
			Tax Deferred	Roth	401k & IRA
			6,500		IRA 550,000
					4% 0
					4% 68,640
				roth 66,000	4% 926,640
			24,500		TSP 310,000
			Tax Deferred	Roth	IRA
					4% 0
					4% 22,880
				roth 22,000	4% 318,760
			6,500		IRA 300,000
0	0	37,500			1,437,920

# SUE RETIRE

<b>Total Income</b>		0   0   0					0					
Additional Information		Employee	Match	Add.	Regular Savings	CD's	College Savings	Rate	Future Value			
Sue 62-70					Savings 101,000			1%	109,369			
Bill 62-70								1%	0			
								1%	0			
<b>Retirement Income Projections</b>												
Sue	COLA	0%	Pension	\$18,836	Sue	Tax Deferred	Roth	401k & IRA				
	WD	0%	Social Security	\$0				IRA	578,760	4%	0	
		0%	Tax Deferred	\$0						4%	93,939	
		0%	Roth	\$0			roth	68,640		4%	966,258	
		3%	401k & IRA	\$31,506					TSP	347,880		
			<b>TOTAL</b>	<b>\$50,342</b>								
Bill	COLA	0%	Pension	\$0	Bill	Tax Deferred	Roth	IRA				
	WD	0%	Social Security	\$0						4%	0	
		0%	Tax Deferred	\$0						4%	31,313	
		0%	Roth	\$0			roth	22,880		4%	314,061	
		4%	IRA	\$12,750					IRA	318,760		
			<b>TOTAL</b>	<b>\$12,750</b>								
0% W/D Rate from Cash Assets		\$0			0   0   0			Savings Type Assets Total		1,514,938		
		\$0										
Total Income at year # 8 =				\$63,092								
0.0%	Target Retirement Income			\$62,866								

# L FUNDS ALLOCATION COMPARISON

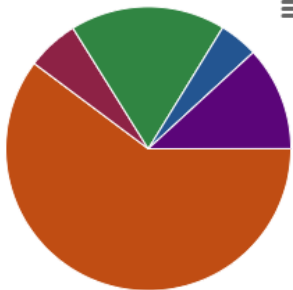
## L Income



January 2024

- G Fund 68.91%
- F Fund 5.59%
- C Fund 13.31%
- S Fund 3.26%
- I Fund 8.93%

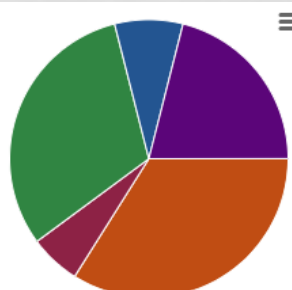
## L 2025



January 2024

- G Fund 60.25%
- F Fund 5.90%
- C Fund 17.59%
- S Fund 4.41%
- I Fund 11.85%

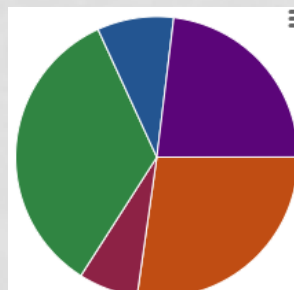
## L 2030



January 2024

- G Fund 33.95%
- F Fund 5.92%
- C Fund 31.17%
- S Fund 7.92%
- I Fund 21.04%

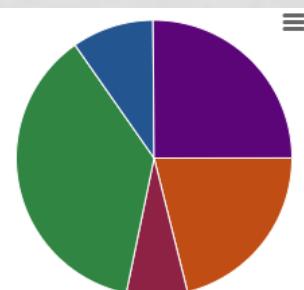
## L 2035



January 2024

- G Fund 27.25%
- F Fund 6.80%
- C Fund 34.11%
- S Fund 8.76%
- I Fund 23.08%

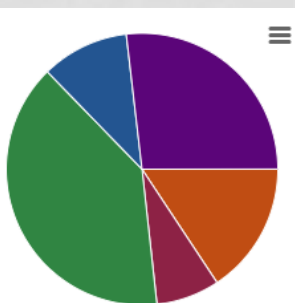
## L 2040



January 2024

- G Fund 21.11%
- F Fund 7.14%
- C Fund 37.03%
- S Fund 9.61%
- I Fund 25.11%

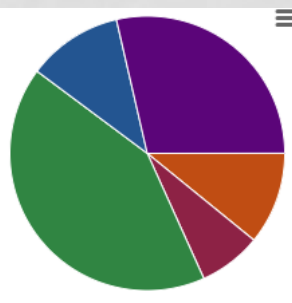
## L 2045



January 2024

- G Fund 15.69%
- F Fund 7.56%
- C Fund 39.47%
- S Fund 10.42%
- I Fund 26.86%

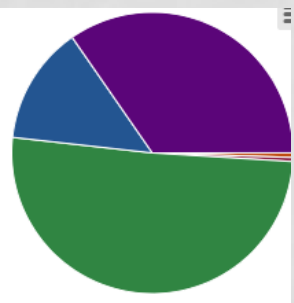
## L 2050



January 2024

- G Fund 10.88%
- F Fund 7.37%
- C Fund 41.96%
- S Fund 11.18%
- I Fund 28.61%

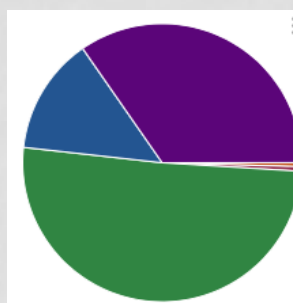
## L 2055



January 2024

- G Fund 0.53%
- F Fund 0.46%
- C Fund 50.78%
- S Fund 13.58%
- I Fund 34.65%

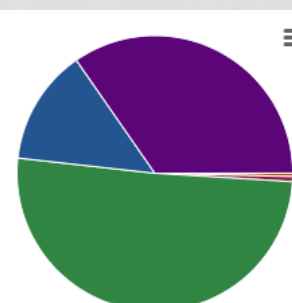
## L 2060



January 2024

- G Fund 0.46%
- F Fund 0.53%
- C Fund 50.78%
- S Fund 13.58%
- I Fund 34.65%

## L 2065



January 2024

- G Fund 0.38%
- F Fund 0.61%
- C Fund 50.78%
- S Fund 13.58%
- I Fund 34.65%

# UNDERSTANDING THE 4% WITHDRAWAL RULE

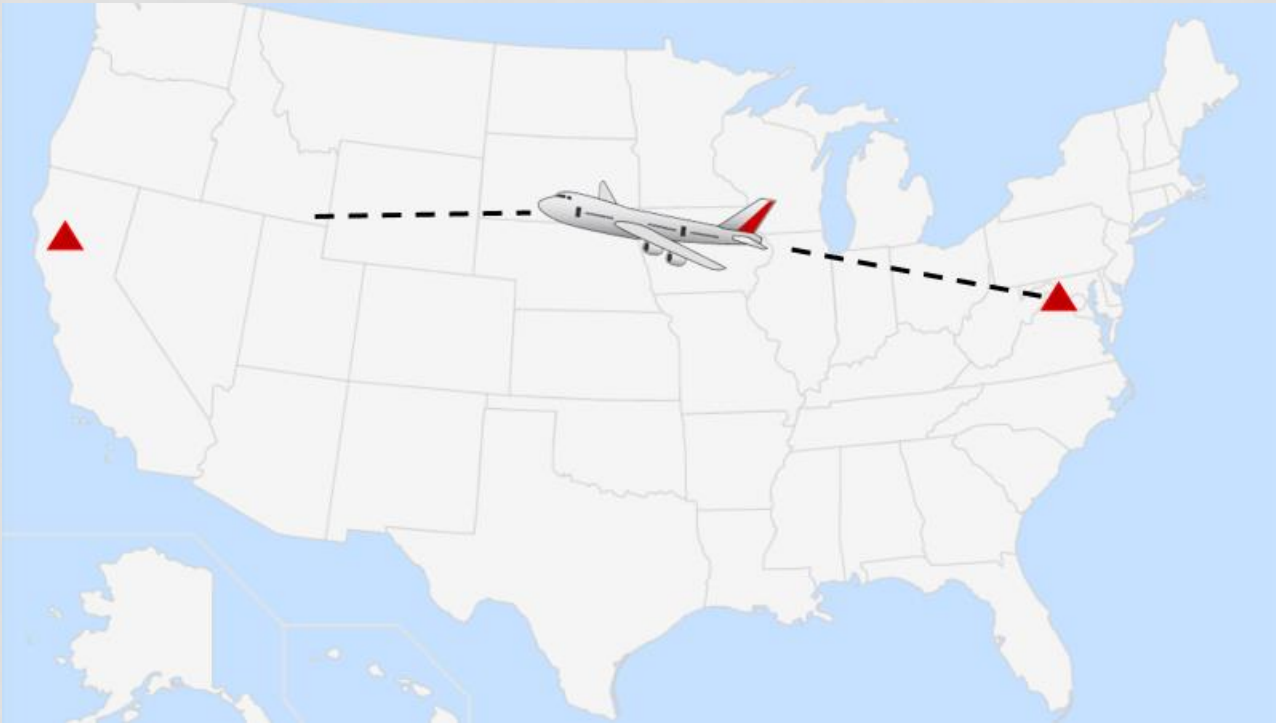
The Trinity University study (one of the most widely-cited papers in retirement planning) aims to cut through all of that complexity and boil down drawdown strategies down to a single number. If an investor withdraws a fixed percentage of their assets annually for retirement expenses, what is the likelihood that they will outlive their savings?

The 4% withdrawal rate and a 50/50 or 75/25 portfolio gives excellent portfolio success rates:

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%

## **You need to have significant stock exposure during retirement**

Most investors assume that in retirement, you need to become extra conservative in your investments to avoid big market losses. It turns out that the opposite is true. According to the results of this study, a 50/50 portfolio would be the minimum stock allocation to maintain a high portfolio success rate using a 4% withdrawal rate. A 75/25 portfolio could potentially have a higher portfolio success rate and end of retirement portfolio value. A 100% bond portfolio fails more than half the time using the 4% withdrawal rule.



# 3 SIMPLE RULES

**1. Never sell low**

**2. Buy into your philosophy**

**3. Safety money**

# Sequence of Returns Risk

**PROBLEM**

Year	BOY Balance	Return	Withdrawal	EOY Balance
1973	\$1,000,000	-14.67%	\$79,713	\$785,281
1974	\$785,281	-26.31%	\$79,713	\$519,934
1975	\$519,934	37.14%	\$79,713	\$603,719
1976	\$603,719	23.81%	\$79,713	\$648,772
1977	\$648,772	- 7.19%	\$79,713	\$528,144
1978	\$528,144	6.52%	\$79,713	\$477,670
1979	\$477,670	18.45%	\$79,713	\$471,380
1980	\$471,380	32.45%	\$79,713	\$518,764
1981	\$518,764	- 4.88%	\$79,713	\$417,625
1982	\$417,625	21.50%	\$79,713	\$410,564

Year	BOY Balance	Return	Withdrawal	EOY Balance
1983	\$410,564	22.46%	\$79,713	\$405,161
1984	\$405,161	6.22%	\$79,713	\$345,691
1985	\$345,691	31.64%	\$79,713	\$350,134
1986	\$350,134	18.62%	\$79,713	\$320,774
1987	\$320,774	5.18%	\$79,713	\$253,548
1988	\$253,548	16.61%	\$79,713	\$202,710
1989	\$202,710	31.69%	\$79,713	\$161,975
1990	\$161,975	-3.10%	\$79,713	\$79,713
1991	\$79,713	30.47%	\$79,713	\$ 0
19 Yrs. Average ROR		12.98%	\$1,514,547	DEPLETED

**COMPARE**
**1973 - 1991**
**1991 - 1973**

Figure 2: Forward running return sequence of \$1,000,000 – S&P 500 portfolio with annual withdrawals of \$79,713  
Other starting years, rate of return sequences, market indexes, and life horizons will produce different results.

# Sequence of Returns Risk

**PROBLEM**

Year	BOY Balance	Return	Withdrawal	EOY Balance
1991	\$1,000,000	30.47%	\$79,713	\$1,200,698
1990	\$1,200,698	-3.10%	\$79,713	\$1,086,235
1989	\$1,086,235	31.69%	\$79,713	\$1,325,489
1988	\$1,325,489	16.61%	\$79,713	\$1,452,699
1987	\$1,452,699	5.18%	\$79,713	\$1,444,107
1986	\$1,444,107	18.62%	\$79,713	\$1,618,444
1985	\$1,618,444	31.84%	\$79,713	\$2,028,663
1984	\$2,028,663	6.22%	\$79,713	\$2,070,174
1983	\$2,070,174	22.46%	\$79,713	\$2,437,519
1982	\$2,437,519	21.50%	\$79,713	\$2,864,734

Year	BOY Balance	Return	Withdrawal	EOY Balance
1981	\$2,864,734	-4.88%	\$79,713	\$2,649,112
1980	\$2,649,112	32.45%	\$79,713	\$3,403,169
1979	\$3,403,169	18.45%	\$79,713	\$3,939,634
1978	\$3,939,634	6.52%	\$79,713	\$4,108,392
1977	\$4,108,392	-7.19%	\$79,713	\$3,739,017
1976	\$3,739,017	23.81%	\$79,713	\$4,530,585
1975	\$4,530,585	37.14%	\$79,713	\$6,103,925
1974	\$6,103,925	-26.31%	\$79,713	\$4,439,925
1973	\$4,439,925	-14.67%	\$79,713	\$3,719,986
19 Yrs. Average ROR		12.98%	\$1,514,547	\$3,719,986

**COMPARE**
**1973 - 1991**
**1991 - 1973**

Figure 3: Backward running return sequence of \$1,000,000 - S&P 500 portfolio with annual withdrawals of \$79,713  
Other starting years, rate of return sequences, market indexes, and life horizons will produce different results.



# Sequence Defense

## SOLUTION

Year	BOY Balance	Return	Withdrawal	EOY Balance
1973	\$1,000,000	-14.67%	\$79,713	\$ 785,281
1974	\$ 785,281	-26.31%	\$ 0	\$ 578,673
1975	\$ 578,673	37.14%	\$ 0	\$ 793,593
1976	\$ 793,593	23.81%	\$79,713	\$ 883,855
1977	\$ 883,855	-7.19%	\$79,713	\$ 746,324
1978	\$ 746,324	6.52%	\$ 0	\$ 794,984
1979	\$ 794,984	18.45%	\$79,713	\$ 847,239
1980	\$ 847,239	32.45%	\$79,713	\$1,016,588
1981	\$1,016,588	-4.88%	\$79,713	\$ 891,155
1982	\$ 891,155	21.50%	\$ 0	\$1,082,754

Year	BOY Balance	Return	Withdrawal	EOY Balance
1983	\$1,082,754	22.46%	\$79,713	\$1,228,324
1984	\$1,228,324	6.22%	\$79,713	\$1,220,054
1985	\$1,220,054	31.64%	\$79,713	\$1,501,145
1986	\$1,501,145	18.62%	\$79,713	\$1,686,103
1987	\$1,686,103	5.18%	\$79,713	\$1,689,601
1988	\$1,689,601	16.61%	\$79,713	\$1,877,290
1989	\$1,877,290	31.69%	\$79,713	\$2,367,229
1990	\$2,367,229	-3.10%	\$79,713	\$2,126,603
1991	\$2,126,603	30.47%	\$ 0	\$2,892,002
19 Yrs.	Average ROR	12.98%	\$1,115,982	\$2,892,002

COMPARE

NO DEFENSE

WITH DEFENSE



\$398,565 funded from Sequence Defense Resources. Total withdrawal of \$1,514,547.

Figure 6: Same sequence with withdrawals from portfolio in green. Sequence Defense employed following down year. Other starting years, rate of return sequences, market indexes, and life horizons will produce different results.

Portfolio

\$500,000

20%

20%

10%

25%

25%

0%

C

S

I

F

G

\$100,000

\$100,000

\$50,000

\$125,000

\$125,000

\$0

4%

4%

4%

4%

4%

0%

\$4,000

\$4,000

\$2,000

\$5,000

\$5,000

\$0

C	S	I	F	G	
\$100,000	\$100,000	\$50,000	\$125,000	\$125,000	\$0
4%	4%	4%	4%	4%	0%
\$4,000	\$4,000	\$2,000	\$5,000	\$5,000	\$0

# IRA

# IRA

Market Sensitive



∅

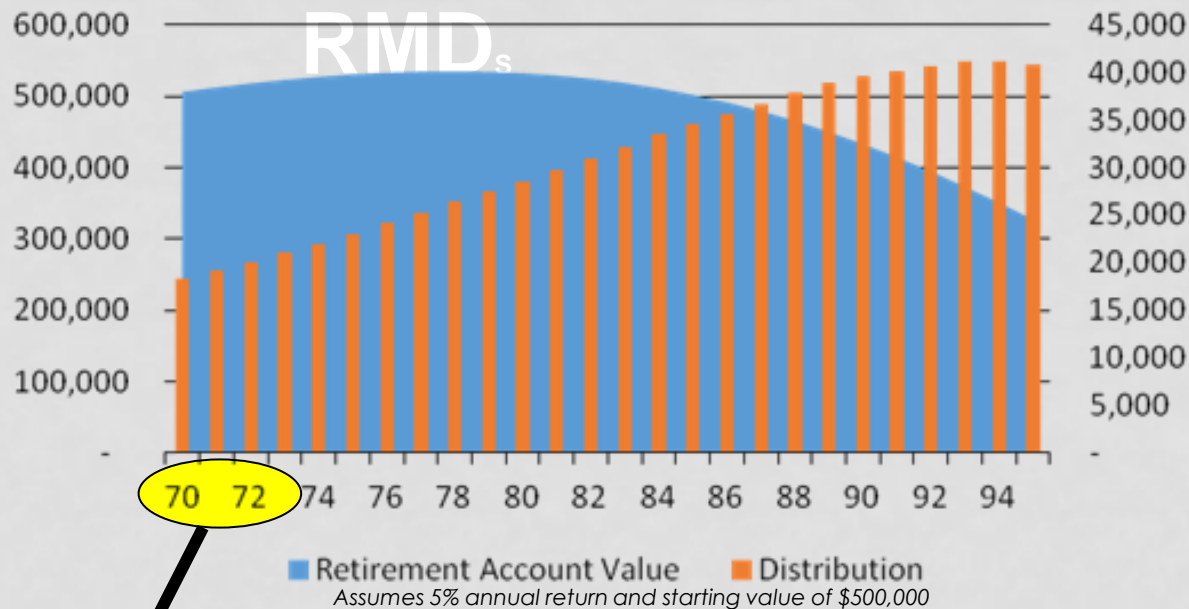
Principle Protection

TOTAL



\$

## Effect of RMDs



**AGE 70 ½...72...73**

**NOTE:**

The age for withdrawing from retirement accounts was increased in 2020 to 72 from 70.5. (Note that the SECURE 2.0 Act will raise the age for RMDs to 73 for those who turn 72 in 2023.) Therefore, your first RMD must be taken by April 1 of the year after which you turn 72 (73 in 2023). After that your RMDs must be taken by December 31 of each year.

# RMD

## RMD

TSP	IRA	IRA
\$100,000	\$100,000	\$100,000
<u>x 4%</u> ↓	<u>x 4%</u> ↓	<u>x 4%</u> ↓
\$4,000	\$4,000	\$4,000

# RMD

## RMD

TSP	IRA	IRA
\$100,000	\$100,000	\$100,000
$\frac{x\ 4\%}{\downarrow}$	$\frac{x\ 4\%}{\downarrow}$	$\downarrow$
\$4,000	\$8,000	

# IRA

# IRA

Market Sensitive



∅

Principle Protection

TOTAL

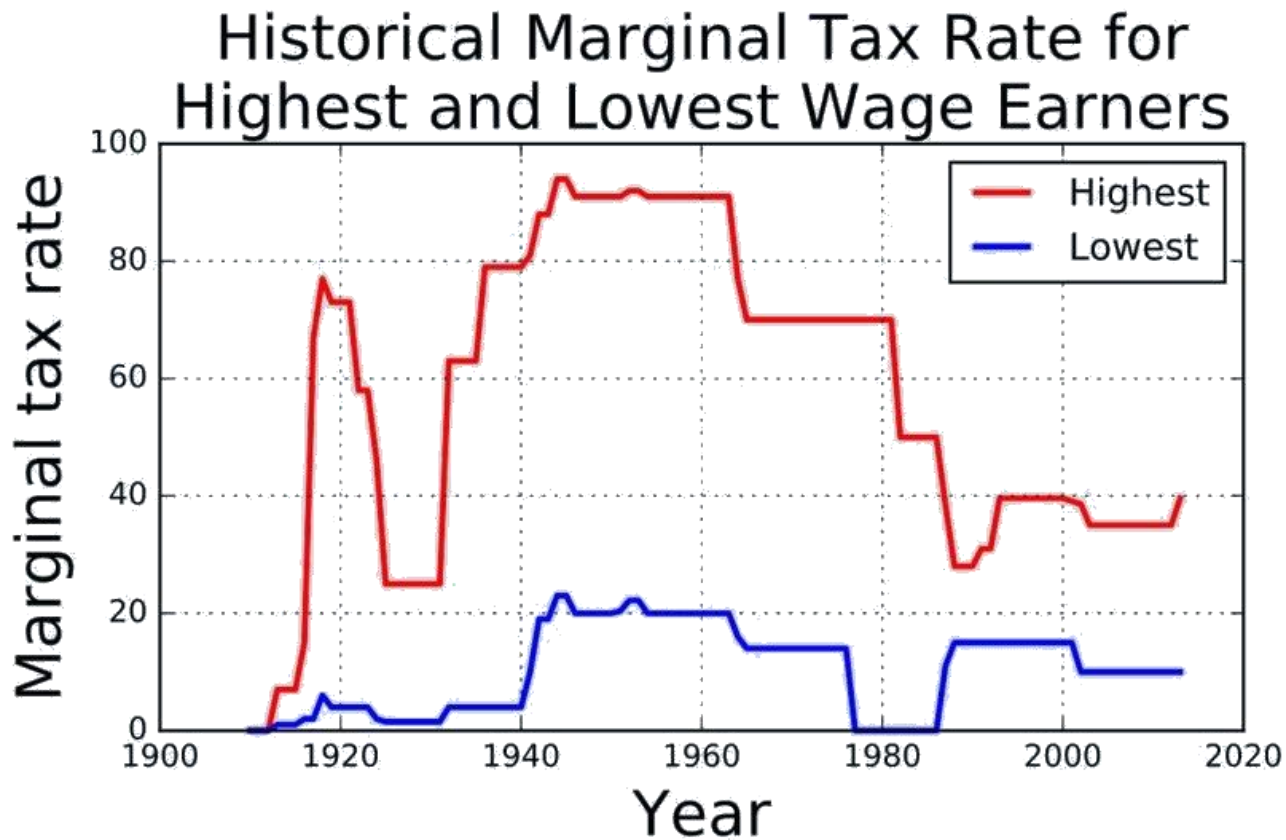


\$

# WHERE do you think taxes will be in your future? Your opinion matters



## Income tax rates





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## Target Retirement Income

---

Show/Hide Target Retirement

Gross Income - Sue	\$107,000
Gross Income - Bill	\$0
	\$0
<b>Total Gross Income</b>	<b>\$107,000</b>
<b>Less</b>	
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
<b>Total Payments</b>	<b>\$44,134</b>
<b>Target Retirement Income</b>	<b><u>\$62,866</u></b>

**See what marginal tax bracket you fall into: 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 brackets 2023

<b>Tax Rate</b>	<b>Single</b>	<b>Married filing jointly</b>	<b>Married filing separately</b>	<b>Head of household</b>
10%	\$0 to \$11,000.	\$0 to \$22,000.	\$0 to \$11,000.	\$0 to \$15,700.
12%	\$11,001 to \$44,725.	\$22,001 to \$89,450.	\$11,001 to \$44,725.	\$15,701 to \$59,850.
22%	\$44,726 to \$95,375.	\$89,451 to \$190,750.	\$44,726 to \$95,375.	\$59,851 to \$95,350.
24%	\$95,376 to \$182,100.	\$190,751 to \$364,200.	\$95,376 to \$182,100.	\$95,351 to \$182,100.
32%	\$182,101 to \$231,250.	\$364,201 to \$462,500.	\$182,101 to \$231,250.	\$182,101 to \$231,250.
35%	\$231,251 to \$578,125.	\$462,501 to \$693,750.	\$231,251 to \$346,875.	\$231,251 to \$578,100.
37%	\$578,126 or more.	\$693,751 or more.	\$346,876 or more.	\$578,101 or more.

# SUE RETIRE

<b>Total Income</b>		0   0   0			0	
<b>\$107,000</b>		<b>Employee</b>	<b>Match</b>	<b>Add.</b>		
<b>Additional Information</b>						
Sue 62-70						
Bill 62-70						
<b>Retirement Income Projections</b>						
Sue	COLA 0%	Pension	\$18,836			
	WD 0%	Social Security	\$0			
	0%	Tax Deferred	\$0			
	0%	Roth	\$0			
	3%	401k & IRA	\$31,506			
		<b>TOTAL</b>	<b>\$50,342</b>			
Bill	COLA 0%	Pension	\$0			
	WD 0%	Social Security	\$0			
	0%	Tax Deferred	\$0			
	0%	Roth	\$0			
	4%	IRA	\$12,750			
		<b>TOTAL</b>	<b>\$12,750</b>			
0% W/D Rate from Cash Assets		\$0		0   0   0		
		\$0				
<b>Total Income at year # 8 =</b>		<b>\$63,092</b>				
0.0%	<b>Target Retirement Income</b>	<b>\$62,866</b>				

Regular Savings	CD's	College Savings	Rate	Future Value
Savings 101,000			1%	109,369
			1%	0
			1%	0
Tax Deferred	Roth	401k & IRA		
		IRA 578,760	4%	0
			4%	93,939
	roth 68,640		4%	966,258
		TSP 347,880		
Tax Deferred	Roth	IRA		
			4%	0
			4%	31,313
	roth 22,880		4%	314,061
		IRA 318,760		
<b>Savings Type Assets Total</b>				<b>1,514,938</b>

# RMD & SS

<b>Total Income</b>	<b>\$107,000</b>
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0	0	0
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0
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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
		<b>TOTAL</b>	<b>\$89,486</b>

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
		<b>TOTAL</b>	<b>\$44,562</b>

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

Total Income at year # 30 = **\$134,049**

0.0% Target Retirement Income **\$62,866**

Employee Match Add.

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		

0	0	0
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Savings Type Assets Total **1,719,080**



**See what marginal tax bracket you fall into: 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 brackets 2023


<b>Tax Rate</b>	<b>Single</b>	<b>Married filing jointly</b>	<b>Married filing separately</b>	<b>Head of household</b>
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22%	\$44,726 to \$95,375.	\$89,451 to \$190,750.	\$44,726 to \$95,375.	\$59,851 to \$95,350.
24%	\$95,376 to \$182,100.	\$190,751 to \$364,200.	\$95,376 to \$182,100.	\$95,351 to \$182,100.
32%	\$182,101 to \$231,250.	\$364,201 to \$462,500.	\$182,101 to \$231,250.	\$182,101 to \$231,250.
35%	\$231,251 to \$578,125.	\$462,501 to \$693,750.	\$231,251 to \$346,875.	\$231,251 to \$578,100.
37%	\$578,126 or more.	\$693,751 or more.	\$346,876 or more.	\$578,101 or more.



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A wide-angle photograph of the U.S. Capitol building in Washington, D.C., taken at dusk. The building's iconic dome is illuminated from within, glowing with a warm yellow light. The sky above is a mix of soft pinks, oranges, and blues. In the foreground, the paved plaza is visible, with two ornate, glowing street lamps on either side of the central path leading towards the building. The overall atmosphere is serene and majestic.

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