

DO YOU REALLY KNOW YOUR RETIREMENT NUMBER?

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If you already know how much you will need in liquid investments for a comfortable retirement, then you're definitely in the minority. Believe it or not, only 1 in 10 people know this today. This explains why so many Americans are only on track for replacing 60 percent or less of their income needed during retirement. The extremely high inflation rate during these past couple of years has added another level of uncertainty to those without a plan.

If you want to find some initial estimates with regard to your retirement plan, here are some places to start.

One rule of thumb is to utilize is a "Salary Multiple". Fidelity says to aim to have six times your salary in retirement savings by age 50 and ten times your salary at age 67. A salary multiple is of course just a ballpark estimate and is generally most helpful for those who are further away from retirement.



"The Rule of 25" is a method that involves figuring out how much income you will want to draw from your investments each year, then multiplying that number by 25 to determine how big your nest egg should be upon retirement. For example, consider a two-earner household, with each person due to collect \$1,800 per month from Social Security for a total of \$43,000. If their budget requires drawing an additional \$57,000 a year from retirement

savings to maintain their lifestyle, they'd have a savings target of 25 times \$57,000, or \$1,425,000. This calculation assumes you will withdraw 4 percent of your savings for income in your first year of retirement, then adjust that amount to account for inflation in each of the following years – and likely to last at least 30 years.

The internet has also bombarded us with an unlimited number of online retirement calculator tools. For example, AARP has a tool that quickly gives you an assessment of your retirement outlook. You can find it on our website at <https://www.foryourfuture.net/resources.html>.

The caveat to these shortcuts is that they can only provide rough savings targets.

Retirement is typically the most important chapter of each of our lives. So, "beginning with the end in mind", one should invest the time and effort needed to discover and develop a

comprehensive retirement plan to fully achieve peace of mind. In today's world caught between family and careers, we often lack the energy and experience needed to formulate a meaningful retirement plan. Working with a seasoned team of professionals like FCG can put you in the right direction and keep you on track as life happens. Even clients with a strong knowledge of investing find it reassuring to have a professional opinion; especially from a planner with whom you have a relationship and who is familiar with your goals and objectives.

As a registered investment firm with over 60 years of experience, you can feel secure that our firm will be able to provide you with unbiased guidance that adheres to the fiduciary standard.

Here are just a few of the services we provide that we hope will bring you peace of mind:

- **Ongoing Guidance for Retirement & Transition Decisions** – regular checkups and financial plan updates as needed with life changes
- **Rollovers & Consolidations** - assistance in navigating complex decisions, paperwork, and processes
- **Monthly Paycheck** - assistance in establishing appropriate monthly income from your investments
- **Social Security** - help with decision making, timing, and coordination with your overall retirement plan
- **Retirement Plan Allocations** – recommendation of plan choices based on your risk profile and goals
- **Charitable Tax Coordination** – options to provide charitable contributions including calculations
- **Tax Planning & Analysis** - consultation on how to best fund your retirement goals wisely
- **Medicare & Insurance Review** - guidance on Medicare, insurance, disability, long term care, etc.
- **Financial Plan Updates** - regular progress check-ins and revisions as needed with life changes
- **Family and Survivorship Planning** - coordination with family and multi-generational wealth planning
- **Wealth Transition** - guidance on effective and efficient wealth transition to heirs
- **Survivors & Beneficiaries** - assistance to your loved ones in navigating complex processes
- **Trusted Referral Source** - referrals to trusted and qualified professionals for tax, insurance, and estate planning need

Our team at Financial Consultants Group is here to help you filter through these options and help you choose the best allocation for your specific retirement.