

# Retirement Income *Strategies*

Your Ultimate Guide to Retirement Planning



# Retirement Income *Strategies*

## The Ultimate Guide to planning Your Dream Retirement

### You've Met Your Retirement Savings Goals.

#### Now What?

Over the years, you've been smart with your money, building up a healthy retirement portfolio. Now, you're getting ready to retire and reap the benefits of that preparation. If you're like most people, you've probably been thinking about how you'll spend time traveling, pursuing your interests, or simply enjoying this new phase of life. But have you thought through how you'll turn your savings into the retirement you've worked so hard for?

Soon, you'll be switching from earning a living and saving for the future to using those savings for lifestyle spending and expenses. It's a major shift in terms of logistics and mindset, but the sooner you prepare, the better off you'll be.

As your investments climb closer to your retirement savings target, it's time to evaluate your retirement lifestyle goals and whether your investments are structured to fund those goals efficiently. Your goals are unique and come with an equally unique price tag. They also require a customized retirement income strategy. Whatever your dream retirement looks like, now is the time to take a second look at your retirement income plan.

#### **As you enter this next stage in life, you should be thinking about questions like these:**

- Are your assets properly organized to support you in your early, mid, and later retirement years?
- Are your savings effectively organized to minimize your taxes?
- Does your portfolio effectively balance a steady income for the next few years with growth to sustain your lifestyle for the long haul?
- Do you want to leave a legacy to your family? If so, what can you do now to prepare?

**There is a lot of advice out there on how to save for retirement because there is a lot at stake. But, in our opinion, not enough time is spent on the process of turning that savings into retirement income.**

**Why’s that? It’s partially because retirement income planning is complicated and because investment managers have different skill sets than financial advisors. However, getting your withdrawal strategy right is critical because once you move out of the accumulation phase, you’re not just conserving your wealth from your own spending; you’re protecting it from factors beyond your control like market fluctuations and inflation.**

**The goal of this guide is to help you better understand how to organize your assets to create a retirement income strategy that will work with your unique circumstances.**

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# Understanding the Impact of Your Retirement Lifestyle

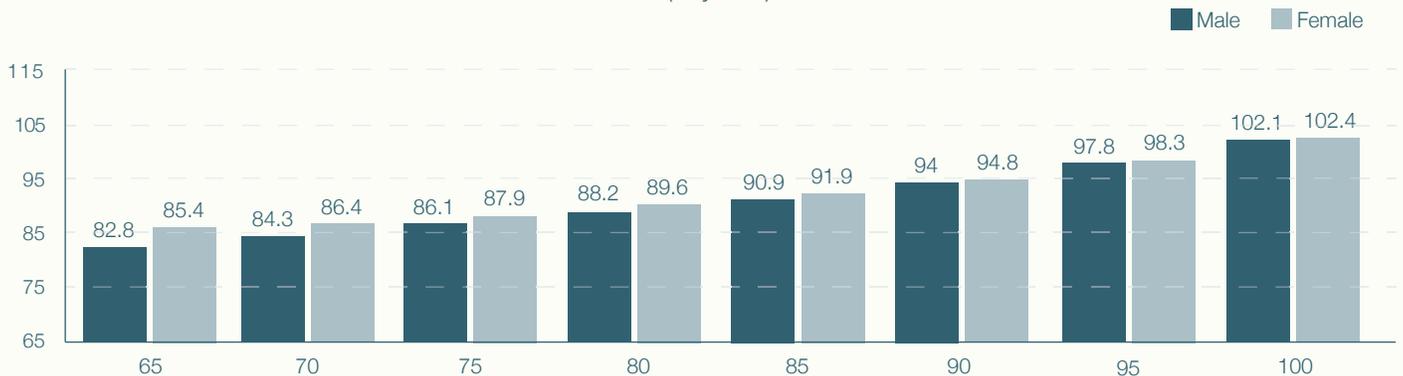
In this guide, we will focus on four risk factors that have the potential to impact everyone and why they need to be accounted for in any comprehensive retirement income plan.

## Longevity Risk

Retirement planning would be easy if you knew exactly how long you were going to live. Unfortunately, we don't know how long we have, but we do know we're living longer now than ever before. That means you get more time to spend with loved ones, enjoying the life you've built for yourself, but it also means your savings need to last longer.

Have you heard the saying, "60 is the new 40"? The fact is, average U.S. life expectancy has increased by eight years over the last four decades. In the early '80s, the average life expectancy was 71, while today it's 77. What's more, someone reaching age 65 in 1980 would, on average, live to 79. Today, someone who reaches age 65 can expect to live into their 80s.<sup>1</sup>

Projected Age Based on Life Expectancy<sup>2</sup>  
(In years)



**You need to be prepared to fund a longer retirement than previous generations because there is no backup plan for running out of money.**

Remember that while the average life expectancy of Americans is about 77, you are not average. Anything can happen, and you need to plan for the long term. This means if you don't have some money set aside to grow during your retirement years, you could struggle to maintain your lifestyle spending over the next 30 or 40 years of your life.

<sup>1</sup> Life expectancy data source: [www.cdc.gov/nchs/fastats/life-expectancy.htm](http://www.cdc.gov/nchs/fastats/life-expectancy.htm)

<sup>2</sup> Projected Age-Based on Life Expectancy source: [www.ssa.gov/oact/STATS/table4c6.html](http://www.ssa.gov/oact/STATS/table4c6.html)

## Inflation Risk

Not only does your money have to last 30 years or more, but it also must grow to keep up with inflation.

Despite the high inflation rates that blistered the economy in 2021 and 2022, inflation has averaged around 3.8% a year since 1960, according to WorldData.<sup>3</sup> If inflation averages 3.8%, you'll need \$103,800 to cover the same expenses in Year 2. By Year 10, you'll need around \$139,887, and in Year 20, you'll need more than \$203,119 per year.

But that doesn't mean that our costs increase consistently each year. Inflation rates can vary across different products or services. Take health care, for example. Over the last 20 years, the cost of hospital services increased over 225%. Long-term care, which is not covered by Medicare, has similarly increased in cost. Those increases are more significant when you consider that most consumer goods, as measured by the Consumer Price Index (CPI), only increased 75% during the same 20-year period. The point is your personal inflation rate might not equal the average. You need to make sure your investments account for inflation to help increase your wealth at least as fast as inflation eats away at it.

### The Corrosive Effects of Inflation<sup>4</sup>

	1980	Today	2040
<b>Cup of Coffee</b>	\$.45	\$4.96	\$9.35
<b>Movie Ticket</b>	\$2.69	\$9.37	\$17.66
<b>New Car</b>	\$7,210	\$47,077	\$88,749

## Public Policy Risk

We can predict that there will be changes to public policy during our lifetime, but we can't predict what those changes will be or when they will happen. However, there are areas of public policy where changes could have a significant impact for retirees, namely Social Security and Medicare funding and tax reform. Funding for Social Security and Medicare is becoming less stable.

Year	Workers per beneficiary <sup>6</sup>
1960	5.1
2000	3.4
2020	2.7
2040	2.3

According to an annual report on the health of the Social Security and Medicare trust funds, costs are increasing and reserves are running thin.<sup>5</sup> There are a number of factors contributing to the financial health of these programs, but one factor is expected to get worse in the near term: the ratio of workers paying into the program for each beneficiary. Less workers means less money to fund entitlement programs and could mean program changes that impact your retirement.

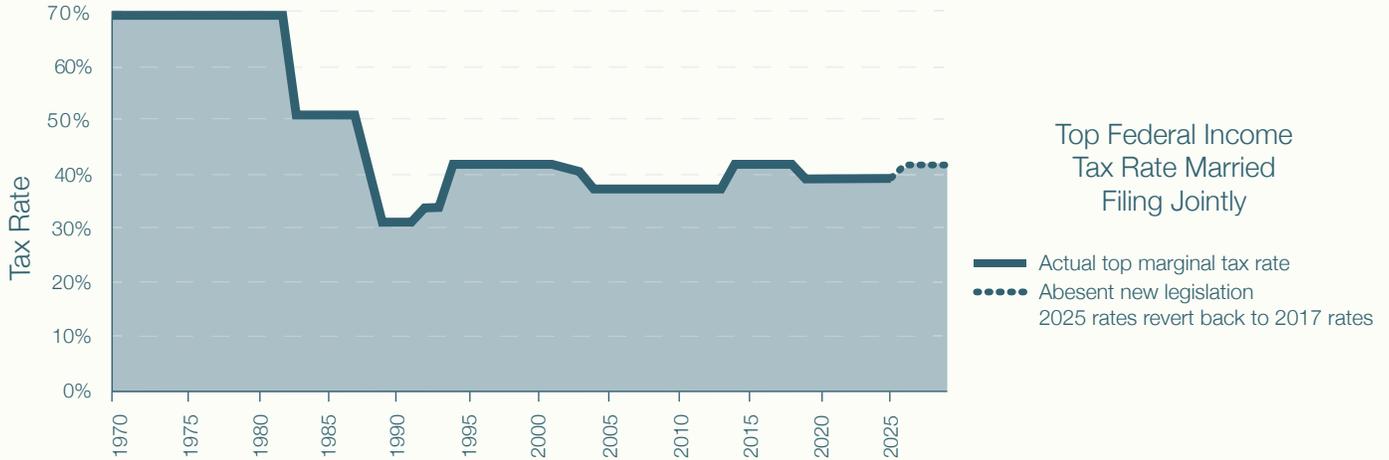
<sup>3</sup> <https://www.worlddata.info/america/usa/inflation-rates.php>

<sup>4</sup> Rising Costs: Data for 1980 and today (as of December 2021) from Bureau of Labor Statistics, National Association of Theater Owners. 2040 data calculated using 3.8% rate of inflation.

<sup>5</sup> Report summary and links: [www.ssa.gov/oact/trsum](http://www.ssa.gov/oact/trsum)

<sup>6</sup> Ratios for 2040 is a projection based on demographic data. [https://www.ssa.gov/OACT/TR/2022/IV\\_B\\_LRhtml#493869](https://www.ssa.gov/OACT/TR/2022/IV_B_LRhtml#493869)

When it comes to changing tax policy, we're in a period of tax volatility. Taxes are at historically low rates, as you can see below, which creates an opportunity for smart tax planning. However, as we adjust to the changes put in place by the Tax Cuts and Jobs Act of 2017, federal and state tax laws are still being debated, meaning more uncertainty is on the way. Now, more than ever, it's important to stay on top of changing tax law implications.



## Withdrawal Risk Rate

How much you withdraw from your retirement savings has a big impact on the longevity of your portfolio. Determining how much you withdraw depends on many factors including the age you retire, the value of your assets and how they are allocated, and when you file for Social Security.

It's critical to think through your withdrawals because even an effectively diversified portfolio may not withstand aggressive withdrawal rates. For example, let's look at an example based on historical market return data for a \$1 million portfolio with a 50/50 split between stocks and bonds.<sup>7</sup>

This portfolio survives a 4% withdrawal rate for over 40 years (with money to spare), but runs out of money much faster when that rate is increased by just 1%. Your family history, health, and other factors need to be considered to determine an appropriate withdrawal rate.



<sup>7</sup> Diversified Portfolio stock is comprised of 23% US Large Cap Equity (SPX 500), 12% US Small Cap Equity (Russell 2000 after 1979, before 1979 we calculated performance by lowest quantile market size portfolio from Fama French website), before 1988 15% International Market Equity (MSCI EAFE Index) after 1988 10% MSCI EAFE Index and 5% Emerging Market Equity (MSCI MXEF Index). Diversified portfolio bonds use Barclays US Gov bond index until 1976, then Barclay's Agg Bond Index after 1976. Source: WEAS/ Bloomberg.

# Putting It All Together

## A case study for a sustainable retirement income strategy

### Meet Bob & Carol

At 64, Bob is ready to retire as the Director of Operations for Acme Industries. His compensation package included the option to purchase company stock at a significant discount. It now makes up a large portion of his 401(k).

At 62, Carol would like to work part-time for two more years in her role as Director of Human Resources. She has \$350,000 of deferred compensation, which will be distributed annually over the first 10 years of her retirement.

There are several things that Bob and Carol can do now to work toward a sustainable retirement income strategy and many more as Carol retires and beyond. For example, Bob and Carol will need to decide when to file for Social Security benefits and whether to withdraw income from tax-advantaged or tax-deferred accounts in a given year.

Although Bob could have applied for his Social Security benefits as early as age 62, he has decided to wait and re-evaluate his options when Carol retires. Let's take a look at their current situation. Bob and Carol's retirement savings and other liquid assets total \$3,000,000 and are shown in the chart below.

	Bob	Carol	Joint
Checking/Savings/Money Market			\$235,000
Current 401(k)	\$1,125,000	\$700,000	
Former 401(k)s	\$175,000	\$210,000	
Inherited IRA	\$150,000		
Roth IRAs	\$15,000	\$25,000	
HSA		\$15,000	
Deferred Compensation		\$350,000	
<b>Total</b>	<b>\$1,465,000</b>	<b>\$1,300,000</b>	<b>\$235,000</b>

For illustrative purposes only. Not indicative of any individual client experience.

### Cash Flow

Carol's part-time income will be \$64,000. Bob doesn't have a pension, but he does have an IRA he inherited and started taking Required Minimum Distributions (RMDs) from 10 years ago at age 54. This year's RMD is \$6,667.

Bob and Carol have estimated that their cash flow needs to be about \$150,000 per year. Carol's salary, plus the RMD from Bob's IRA total \$70,667, which means they will need \$79,333 annually from their investments to meet their cash flow needs.

## Goals

In addition to understanding their cash flow needs, Bob and Carol also need to articulate their core values to create a framework to help guide their financial decision-making. After all, the true value of your savings isn't the number in your bank account; it's the experiences and opportunities you are able to put that money toward.

Bob values family and education. He wants to provide an education for his grandchildren and leave a legacy for his family. Carol also values family, and it's important to her that they live life to the fullest. One of Carol's goals is to make memories with her family on annual vacations. By addressing their values and corresponding goals, Bob and Carol can build a retirement income strategy that will not only help make their money last, but will also give them the retirement lifestyle they've earned.

## A Goal-Oriented Retirement Income Strategy

Financial planning is not a one-time event; it is an ongoing process. The goal is to strike a balance between risk tolerance and time horizon, creating a plan that is highly likely to meet your income needs, preserve your assets, and give you flexibility to adjust to changing circumstances.

To help Bob and Carol find the right balance, we use a tool called Your Money Matrix.<sup>™</sup> Your Money Matrix allows us to look at their money from two critical perspectives: withdrawal timeline and tax treatment. By organizing their assets this way, we can determine if their savings are structured effectively to meet their goals.

First, we organize their money into three categories along a withdrawal timeline:



Next, we organize assets by tax treatment. Retirement savings fall into three different tax buckets: taxable, tax-deferred, and tax-advantaged. Having assets in all three of these categories can be beneficial at different stages of life.

Tax-Deferred	Tax-Deferred	Tax-Advantaged
<p>Earnings on these investments are fully taxable at year-end. Includes all income-producing assets that are outside of tax-deferred and tax-advantaged accounts.</p> <ul style="list-style-type: none"><li>• Checking &amp; Savings Accounts</li><li>• Brokerage Accounts</li><li>• Money Market Accounts</li></ul>	<p>Contributions are made using pre-tax dollars. Taxes on these investments are deferred until withdrawn and then taxed at your ordinary income tax rate.</p> <ul style="list-style-type: none"><li>• 401(k) and 403(b)</li><li>• Traditional IRAs</li><li>• Deferred Compensation Plans</li></ul>	<p>Contributions are made using after-tax dollars, grow tax free, and no taxes are due at withdrawal given conditions are met.</p> <ul style="list-style-type: none"><li>• Roth IRA</li><li>• Health Savings Account (HSA)</li></ul>

## Bringing It All Together

Using the Your Money Matrix, we bring this all together to see where their money falls. With this baseline, we can identify potential gaps based on their goals and advise them on how to best organize their assets.

While Bob and Carol have substantial assets, they are not allocated well. As we look at Bob and Carol's investments, we see at least three areas that will make it difficult for them to meet their retirement goals of maintaining their lifestyle, creating memorable shared experiences with their family, and leaving a financial legacy to their heirs.

**1. They are not set up for a tax-efficient retirement.** The vast majority of Bob and Carol's assets are in tax-deferred accounts which will be taxed at ordinary income tax rates when withdrawn. Because they have little saved in tax-advantaged accounts, they don't have the flexibility to manage their taxable income and are not positioned to minimize taxes.

For example, we determined that Bob and Carol would need \$79,333 from their savings to meet their lifestyle spending needs during Bob's first year of retirement. If they withdraw from their tax-deferred accounts, they will actually need to withdraw \$108,133 (assuming no state tax) to pay the taxes and have \$79,333 left for spending. If this pattern continues, it can have a negative impact on the longevity of their portfolio because they will consistently withdraw more than they need for lifestyle spending due to a lack of tax-efficient planning.

Another consideration for tax-deferred accounts is that they come with Required Minimum Distributions (RMDs) when you reach age 73 or age 75. The more money you have in tax-deferred accounts, the larger your RMDs will be. If not managed properly, your RMDs may be higher than you need to support your lifestyle spending and could also push you into a higher tax bracket. Either way, you end up with a higher tax bill than necessary.

Another of Bob and Carol's goals was to leave money to their heirs. Tax-deferred accounts are an inefficient wealth transfer tool because when heirs inherit money in tax-deferred accounts, they also inherit the taxes due. Just as Bob is paying taxes on his inherited IRA, his and Carol's heirs would also be responsible for income tax on their inheritance.

**2. They are not effectively diversified for stable growth.** Bob and Carol are exposed to inflation risk because 27% of their portfolio is in low-growth or no-growth cash and bonds. While these investments can protect their principal, their assets may not grow enough to keep up with inflation, especially during a down market.

**3. Bob and Carol's portfolio contains too much market risk for this stage in their retirement.** At first glance, it might seem like the amount of stock helps to balance the cash and bonds mentioned in #2. But as it stands, 61% of their portfolio is stock, which means their timeframe allocations don't match their actual timeline. Being too heavily weighted in stocks means they have too much money in the long-term buckets, which leaves them vulnerable to market fluctuations. Also, because they have \$300,000 in Acme Industries stock, they have significant exposure to company risk.

**We've put their investments into their current Your Money Matrix on page 10.**

# Bob & Carol's Current Your Money Matrix™

	Taxable		Tax-Deferred		Tax Advantaged		
	Description	Est. Balance	Description	Est. Balance	Description	Est. Balance	Total Investments
<b>Short-Term</b>  Cash Flow Portfolio (0-7 Years)	Checking, Savings, and Money Market	\$235,000	Bob's 401(k) (Former Employer B) 100% cash	\$25,000	Bob's Roth IRA 100% bond portfolio	\$15,000	\$815,000 (27%)
			Bob's Inherited IRA 100% bonds	\$150,000	Carol's Roth IRA 100% bond portfolio	\$25,000	
			Carol's Deferred Compensation	\$350,000	Carol's Health Savings Account	\$15,000	
<b>Totals</b>		<b>\$235,000</b>		<b>\$525,000</b>		<b>\$55,000</b>	<b>\$815,000</b>
<b>Mid-Term</b>  Cash Flow Reserve Portfolio (7-15 Years)			Bob's 401(k) (Former Employer A) Target Date Funds	\$150,000			\$360,000 (12%)
			Carol's 401(k) (Former Employer) Target Date Funds	\$210,000			
<b>Totals</b>		<b>\$0</b>		<b>\$360,000</b>		<b>\$0</b>	<b>\$360,000</b>
<b>Long-Term</b>  Growth Portfolio (15+ Years)			Carol's 401(k) (Current Employer) 100% equity portfolio	\$700,000			\$1,825,000 (61%)
			Bob's 401(k) (Current Employer) \$300,000 ER Stock, \$825,000 Target Date Fund	\$1,125,000			
<b>Totals</b>		<b>\$0</b>		<b>\$1,825,000</b>		<b>\$0</b>	<b>\$1,825,000</b>
<b>Total Investments</b>		<b>\$235,000</b>		<b>\$2,710,000</b>		<b>\$55,000</b>	<b>\$3,000,000</b>

For illustrative purposes only.

Our goal is to work with Bob and Carol to increase their tax efficiency while also minimizing the risk in their portfolio to help them achieve sufficient growth to keep up with inflation.

1.	<p><b>By addressing Bob's 401(k), we'll touch on all three of the issues we identified.</b> Bob's Acme 401(k) is fully invested in equities, including \$300,000 worth of Acme Industries stock. This creates high company risk exposure and high market risk. And, since 401(k)s are tax-deferred accounts, Bob will pay ordinary income tax on the full value of his 401(k) as he withdraws it, which will generate a large tax bill.</p> <p>Fortunately, there is a strategy available for Bob to minimize the taxes owed on the Acme stock due to this Net Unrealized Appreciation (NUA). NUA is the difference between the cost basis, \$50,000 in Bob's case, and the current market value, \$300,000. Since Bob meets the requirement (see NUA rules below), he can transfer the Acme stock to a brokerage account. When he does, he'll pay ordinary income tax on the cost basis and capital gains tax, which can be significantly lower, on the NUA when he sells the stock.</p> <p>We'll help Bob and Carol develop a strategy to sell the Acme stock over time to diversify the brokerage account, reduce company risk, and minimize the taxable gains. We'll also reduce the overall portfolio risk by moving the remainder of Bob's 401(k), and other accounts, into a moderate growth portfolio.</p>
2.	<p><b>We'll further reduce their market risk.</b> Carol isn't happy with the options available in her current 401(k), which is invested in a 100% equity portfolio. She has options, including leaving the money in her former employer's plan, rolling her account into an IRA, or converting the account into cash. Carol's employer also offers, and she is eligible for, an in-service distribution. We'll roll \$650,000 from her current 401(k) portfolio, combined with her former 401(k), into a moderate growth IRA. Carol will still have a balance of \$50,000 in her current 401(k), which she will contribute to until she retires. Our investment management team can review the investment options in her 401(k) plan and determine if there is a better investment strategy given Bob and Carol's investment objectives.</p>
3.	<p><b>We'll further diversify low-growth assets to ensure adequate growth potential and minimize inflation risk.</b> We'll switch Bob's inherited IRA from 100% bonds to a balanced portfolio, and move his Former Employer B 401(k) from cash into a moderate growth portfolio. We'll adjust the HSA account from all cash into a 50/50 bond equity portfolio.</p>
4.	<p><b>We'll help Bob and Carol begin to diversify by tax treatment for more flexible tax planning.</b> We'll suggest that Bob and Carol make maximum annual Roth IRA contributions of \$8,000 each. Additionally, Carol will make the maximum annual family contribution of \$8,300 to her HSA this year. Next year, Bob will enroll in Medicare and can no longer be considered for the family contribution limit to the HSA, but Carol will continue to make the maximum individual contribution until she turns 65 and enrolls in Medicare. Finally, since growth in Roth IRA accounts is tax-free, we'll keep their Roth IRAs in 100% equity portfolios to allow for more long-term growth.</p>

#### NUA Rules

- NUA only applies to stocks you own in a company where you are, or were, an employee
- Stocks must have been placed in a tax-deferred account when purchased
- Must have a qualified triggering event, such as retirement
- Stock must be distributed in-kind
- Employer plan must make a lump sum distribution

# Bob & Carol's Current Your Money Matrix™

	Taxable		Tax-Deferred		Tax Advantaged		
	Description	Est. Balance	Description	Est. Balance	Description	Est. Balance	Total Investments
<b>Short Term</b>							
Cash Flow Portfolio (0-7 Years)	Checking, Savings, and Money Market	\$211,250	Carol's Deferred Compensation	\$350,000	Carol's Health Savings Account 50% Equity, 50% Bond Portfolio	\$23,300	\$584,550 (20%)
<b>Totals</b>		<b>\$211,250</b>		<b>\$350,000</b>		<b>\$23,300</b>	<b>\$ 584,550</b>
<b>Mid Term</b>							
Cash Flow Reserve Portfolio (7-15 Years)			Bob's Inherited IRA Growth & Income	\$150,000			\$2,010,000 (67%)
			Carol's Rollover IRA Moderate Growth	\$860,000			
			Bob's Rollover IRA Moderate Growth	\$1,000,000			
<b>Totals</b>		<b>\$0</b>		<b>\$2,010,000</b>		<b>\$0</b>	<b>\$2,010,000</b>
<b>Long Term</b>							
Growth Portfolio (15+ Years)	Brokerage NUA shares	\$300,000	Carol's 401(k) (Current Employer) 100% equity portfolio	\$50,000	Bob's Roth IRA All Equity	\$23,000	\$406,000 (13%)
					Carol's Roth IRA All Equity	\$33,000	
<b>Totals</b>		<b>\$300,000</b>		<b>\$50,000</b>		<b>\$56,000</b>	<b>\$ 406,000</b>
<b>Total Investments</b>		<b>\$511,250</b>		<b>\$2,410,000</b>		<b>\$79,300</b>	<b>\$3,000,550</b>

For illustrative purposes only.

## Planning is an Ongoing Process

Once Bob and Carol's assets are properly diversified by withdrawal timeline and tax treatment, we also need to make sure that the assets in each bucket are correctly diversified to pursue their objectives. By taking a comprehensive view of all of Bob and Carol's assets, we were able to give them a well-diversified portfolio designed to provide more stable growth as Bob and Carol start their retirement. We reduced the overall risk in their portfolio by reducing their stock exposure and developed a strategy to reduce their company risk. Since they have significant cash in their taxable accounts, we were able to move some of their tax-deferred assets into more moderate growth accounts in the mid-term bucket to help manage inflation risk.

**By making these changes now, Bob and Carol will be able to better evaluate additional strategies for their retirement. For example, when Carol stops working, their income will go down, as will their income tax bracket, making it a great time for Roth conversions. By transferring money from tax-deferred accounts when their income is lower, Bob and Carol will pay a lower tax rate and reduce their RMDs later.**

*Traditional IRA account owners should consider the tax ramifications, as well as age and income restrictions, in regards to executing a conversion from a Traditional IRA to a Roth IRA. The converted amount is generally subject to income taxation.*

By having assets in taxable, tax-deferred, and tax-advantaged accounts, they can better manage their taxes due each year. They also have options when it comes to leaving money to their heirs that is tax-deferred, tax-advantaged, or a combination of both.

As you can see, there are many considerations that go into planning a sustainable retirement income strategy. Retirement income planning is just one part of a comprehensive financial plan. Bob and Carol also need an estate plan, may want to consider risk management strategies like long-term care and life insurance, or may want to fund 529 College Savings accounts for their grandkids. To accomplish all of this, Bob and Carol need a team of specialists with experience in all areas of financial planning to make sure their plan is comprehensive.

## The Value of Comprehensive Financial Planning

We all know how important it is to save for retirement, but here at Wealth Enhancement, we put just as much emphasis on structuring a paycheck for the rest of your life. By reorganizing your spendable assets to grow with you, while minimizing risk and unnecessary taxes, you'll be able to feel confident that your savings can help you reach your goals and give you the retirement you've worked so hard for.

While the strategies we just laid out here were the right ones for Bob and Carol's situation, we understand that your financial situation, your retirement timeline, and your goals are unique. However, many of the issues that we have discussed are common among investors and we want to leave you with a checklist of items to consider when looking at turning your retirement savings into a retirement income plan.

Prior to investing in a 529 Plan, investors should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program. Withdrawals used for qualified expenses are federally tax free. Tax treatment at the state level may vary. Please consult with your tax advisor before investing.

# How to Turn Your Investments Into Your Dream Retirement

Next Steps to Creating Your Retirement Income

## Organize your savings to match your retirement timeline

- Divide your savings into three buckets according to time horizon (short-term, mid-term, and long-term). How much you should have in each bucket will depend on how close to, or how far into, retirement you are.
- Ensure investments are effectively diversified within each bucket, taking into account longevity risk, market risk, inflation risk, etc.

## Take advantage of tax efficiencies

- Understand the tax implications of your current portfolio, including the amount and tax implications of any future RMDs.
- Consider Roth conversions and, if appropriate, develop a conversion strategy that takes into account short-term and long-term tax implications.
- Develop a strategy to effectively manage capital gains taxes, like the NUA we explained in Bob and Carol's situation.

## Re-evaluate your plan on an ongoing basis

- As you progress through, or into, retirement, rebalance your portfolio as needed to stay on track to meet your goals.
- Develop a withdrawal strategy that incorporates annual tax planning into the calculations.
- Communicate regularly with your financial advisor who can help you take advantage of new opportunities as they arise and help you avoid any pitfalls you may not see coming.

## Your Compensation is Unique. Your Plan Should Be Too.

Creating and updating your retirement income plan on your own can be complicated, involving a number of specialists from different offices working on different parts of your plan, leaving you to bring it all together. If your compensation plan includes non-cash compensation like non-qualified stock options or deferred compensation, you can probably sympathize with Bob and Carol.

But you want to enjoy your retirement, not coordinate a team of specialists who all have their own opinions. That's why you turn to Wealth Enhancement. It's our mission to help you thrive in retirement, and it's why we take the time to get to know each individual client and their retirement goals.

When you work with Wealth Enhancement, you'll benefit from the experience and knowledge of our Roundtable™ team of specialists. With our approach to integrated advice, you'll be able to check all these items off your retirement income planning checklist through a single touchpoint: your trusted financial advisor. This means you'll have the confidence you need to enjoy the retirement you've worked so hard for.

# Ask Questions and *Own* It

Although wealth management may be new to you, it doesn't have to be daunting. Remember: you are entitled to understand the ins and outs of your financial plan, and the steps you need to take to prepare for your financial future.

## Finding Specialists You Trust

According to a recent global study released by the Financial Planning Standards Board, 87% of people who work with certified financial planners say they feel financially secure—and 86% say they are tangibly better off.<sup>9</sup> In addition, 51% of investors who receive professional financial advice say it has positively impacted their mental health.<sup>10</sup> Realizing these benefits, however, hinges on finding a financial advisor you trust. This means working with someone who can answer the questions you ask – and the questions you may not even have thought of.

## Preserve What You've Built.

At Wealth Enhancement Group, we don't approach your unique situation with a one-size-fits-all formula. Instead, we unlock your wealth's potential with our team-based approach. Our specialists dig into every detail of your financial picture to find the opportunities others overlook, to help you achieve the financial life of your dreams.

Our 3-step UniFi™ process ensures every aspect of your financial life is organized, accounted for, and explained. This gives you a comprehensive view of your financial information, called your UniFi™ inventory. We get to know the details of your financial goals in the context of what matters to you. Additionally, our Roundtable™ team of financial specialists collaborates to make sure your financial plan is comprehensive, because we're committed to giving you the care you deserve—so you can support who you care for.



A 3-step process designed to simplify your financial life.

With every passing year, female investors gain control of more of the world's wealth. As your financial life evolves, the advisors at Wealth Enhancement Group are here to guide you every step of the way, delivering a level of service that defies convention and exceeds your expectations.

<sup>9</sup> <https://www.fpsb.org/news/financial-planning-leads-to-better-outcomes-beyond-wealth-but-myths-persist/>

<sup>10</sup> <https://www.fpsb.org/news/financial-planning-leads-to-better-outcomes-beyond-wealth-but-myths-persist/>



Wealth Enhancement™

*Call Us Today*

888-883-0979

Schedule a free, no-obligation, introductory meeting to discuss where you are now and what you want to accomplish; identify opportunities for your portfolio and plan; and provide proactive next steps to pursue your goals.

(For best service, please call between 8:00 a.m. and 5:00 p.m. Central Time)

This information is not intended as a recommendation or as tax or legal advice. Discuss your specific situation with a qualified financial, tax, and/or legal advisor. There is no guarantee that asset allocation or diversification will enhance overall returns, outperform a non-diversified portfolio, nor ensure a profit or protect against a loss.

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