

Retirement Financial Plan

Prepared for: Single Sample

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## A Quality Retirement Financial Plan Strives To Do The Following:

**Income Management**– Ensure you have enough income to live comfortably and enjoy retirement, preferably on a guaranteed basis.

**Investment Planning** – Increase returns and decrease risk on nest egg wherever possible.

**Insurance Planning** – Mitigate risks faced by seniors – Death, LTC, other liability, etc.

**Tax Planning** – Minimize Income Taxes (and other taxes) using the existing Laws.

**Estate Planning** – Ensure that the estate is protected from death, disability or other healthcare crises, probate, estate taxes etc.

**Emergency Backups** – Provision of Ample Liquidity for any sudden Expense.

**Gaps** – Find Gaps in your financial situation and solve those problems immediately.

**Maintenance** – Meet with planning fiduciary on an ongoing basis to review plan and circumstances.

**Goal Focused** – A successful retirement financial plan should “goal focused” and only “goal focused”. You should not worry about trying to squeeze out every possible return on your investments, or paying the lowest possible fees, or paying the least possible amount of taxes. Doing that, and achieving your goals every time, is (probably) impossible. You should ask yourself, “Does this overall plan and allow me to achieve my retirement goals”. FAR too many people get lost in the details and all the moving parts of a Retirement Financial Plan. As a result, they don’t act on a quality Retirement Financial Plan that accomplishes their goals. They get lost in the forest because they want to focus on the “why’s and how’s” of each and every single tree and each and every single branch on each and every single tree and each and every single leaf on each and every single branch on each and single every tree…….and so on….

……. Focus on your goals and the big picture and ask yourself, “Does this retirement financial plan accomplish my goals”. If it does, then implement the plan and go enjoy your retirement!

## Financial Goals

1. Develop a strategy for your retirement that strives to:
2. Ensure Rob can (PICK ONE: retire OR have the option to not have to work) at age 65, or sooner, and stay retired!!!!
3. Have a guaranteed (PICK ONE: after OR before)-tax income of at least $5,000/month “to live”
4. Have an additional (PICK ONE: after OR before)-tax income of at least to $10,000/year to have a life!”
5. Have the flexibility and liquidity to bridge any income gaps that will arise in retirement.
6. To have your income keep pace with inflation.
7. Increase the return and decreases the risk of your investments net of all fees, costs, and expenses.
8. Is not likely to lose more than 5%, or less.
9. Allow Rob the freedom and income to enjoy your retirement and travel to places like France, Italy, Greece, The U.K., and Ireland, to see scenic places in the U.S., like Utah, Arizona, New Mexico, North and South Dakota, see the Grand Canyon, stopping to bike and Kayak at various places, buy an R.V and drive the back roads and live like a hobo for a while, travel without a schedule, driving through small towns, and just see what there is to see. Your Plan gives you the time and income to serve others by being there for your parents and making their lives peaceful and happy, staying involved with The Eagle Scouts, and volunteering your time and resources at your church, being able to help your kids along the way, and eventually, leave an inheritance to your kids to make their lives a little easier.
10. Establish a “Trusted Adviser” relationship with a Fiduciary who gives you peace of mind that you have a concrete plan to retire, have guaranteed income for life, have a wealth preservation and growth strategy so you know you will never run out of money. Your Fiduciary gives you peace of mind because he gives you a Retirement Financial Plan in writing that shows you clearly where you are at financially, and exactly how you will be able to reach your retirement goals, without worrying about running out of money. Your Fiduciary gives you peace of mind because he is someone you can learn from about how to better firm up your plans and your goals, and gives you a Plan that ensures you are on the right path, so that you will NEVER be a burden to your kids. Your Fiduciary gives you peace of mind because your plan has built in contingencies to handle “surprises” during your retirement, like a long-term care crisis, or bad inflation. Your Fiduciary gives you peace of mind because he gives you a plan that is 100% transparent, so you can see what is happening with your investments at all times, he communicates with you frequently, listens to your concerns, and gives you straight answers, and a clear vision of the future. Your Fiduciary gives you peace of mind because he clearly understands what you need, has demonstrated that your goals are achievable and explained your Retirement Financial Plan so that you clearly understand it, therefore, you can concentrate all your efforts on the retirement you’ve earned after decades of hard work.
11. Allow you to access your portfolio in a tax efficient manner.
12. Properly handles all insurance needs and any health care issues (i.e. LTC, Medicare Supplements, etc.) that arise in the future, especially if you choose to self-insure against a LTC crisis.
13. Ensures that Rob, will have guaranteed income for as long as you live.
14. Upon request, (PICK ONE: reviews OR helps you establish) your estate plan to ensure it properly and cost efficiently disburses your estate to Jennifer and Rick, after you’ve lived a long, full life, and protects you in case you are incapacitated.
15. Consolidates and coordinates everything into one organized plan that gives you peace of mind so you know that you can…………Maintain your current lifestyle for the rest of your life.
16. Rob’s requested approximate allocation:
    1. 40% Safe and Secure
    2. 30% Low Risk
    3. 30% Moderate Risk
17. Strives to remove all unnecessary risk from your portfolio.
18. Strives to mitigate and control the remaining risk in your portfolio.
19. Strives to ensure you have adequate liquidity and flexibility within your portfolio (just in case!)
20. Strives to ensure adequate guaranteed “income for life” for Rob, no matter how long you live…i.e. Guarantees that you will have all the guaranteed income you want and need for the rest of your life to accomplish all your goals
21. Strives to be aware of tax efficiency options on portfolio moving forward.
22. If you choose to self-insure, your Fiduciary strives to help you establish a written “Retirement Self-Insurance Plan” to strive to ensure that a LTC crisis won’t wipe out your nest egg.
23. Strives to review all your insurance to ensure that it is coordinated with your retirement needs and eliminate unnecessary insurance.

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## Financial Risks

1. More risk than necessary in old investment portfolio
   1. You have (PICK ONE: enough OR just enough OR barely enough) to ensure that you can enjoy the retirement you want; however, any unnecessary loss of principal will have a very detrimental effect on your ability to retire and stay retired. It is imperitive that you properly deploy all your assets to strive to ensure your ability to not only retire as soon as possible, but also boost your income streams later in retirement.
   2. Your Nest Egg’s ability to generate income is at risk when the market declines.
   3. Availability of principle at risk when the market declines.
   4. Current “peace of mind” at risk when a 2000/2001/2002 and/or 2008 market decline occurs again (i.e. not losing more than 5% or less, if avoidable while still getting good returns).
   5. Need to ensure that you have guaranteed income not subject to the uncertainties of the market especially if you choose to self-insure against a LTC crisis.
   6. Don’t be lulled into a false sense of security due to the size of your portfolio. Your desired lifestyle and commensurate income needs require the full and proper use of your entire portfolio. In order to maintain your desired lifestyle, all you have to do is JUST NOT LOSE!!! Risk is for people trying to get the assets you already have. All you have to do is JUST NOT LOSE and then get reasonable conservative growth and you can achieve your goals!!!
2. You don’t have a comprehensive, coordinated retirement financial plan that has been fully implemented.
3. All your assets are (PICK ONE: completely exposed OR potentially exposed) to the “spend-down” in the event of a LTC crisis. Therefore, a written retirement LTC strategy MUST be in place that strives to protect against the “spend-down.” This written strategy must strive to ensure that you receive the quality care you want while striving to ensure that your estate will be preserved to be passed on to your beneficiaries.
4. You need to (PICK ONE: establish an estate plan OR have your estate plan reviewed), to ensure it accomplishes all your goals and leaves your estate to Jennifer, Rick, and any future Grandkids, in a tax and cost-efficient manner, as well as protecting you if you become incapacitated.
5. (EXAMPLE OF OPTIONAL STATEMENT) You need to plan additional income, to handle student loan costs for the next few years.

1. (EXAMPLE OF OPTIONAL STATEMENT) You need to plan additional income, to handle healthcare costs, pre-medicare.
2. Beneficiary audit needed (to be discussed at later meeting).

**A picture containing key, metalware, chain

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## Action Items

1. Strive to remove all unnecessary risk from your portfolio
2. Strive to mitigate the remaining risk by……
3. Repositioning 71% assets into a Safe and Secure portfolio that strives to ensure guaranteed income for life, that can be turned on “as needed”, that strives to keep pace with inflation, and ensures that strives to ensure you can never run out of money and have all the income you need “To Live” and to “To Have a Life” and accomplish all your retirement goals and that also strives to protect you against the “spend-down” in the event of a LTC crisis thus allowing the option to potentially self-insure against a LTC crisis
4. Repositioning 11% of your assets into a properly allocated portfolio of Lower Risk Private Wealth Strategies
5. Repositioning 10% of your assets into a properly allocated portfolio of Moderate Risk Private Wealth Strategies
6. Leave around 5%, (or whatever you feel comfortable with) as cash in the bank for short term cash needs and peace of mind, and stock that you do not with to sell. (To be discussed later)
7. (OPTIONAL): [PICK ONE: Leave OR Move around] 3%, [PICK ONE: currently allocated as or into] “cash value”, in other life insurance policies that qualify under IRC 7702 (will be discussed at a later time).
8. (OPTIONAL) Your plan includes future action items that include future compounded savings. (to be disussed at a later date)
9. (OPTIONAL): You must always remember that when making choices about what to do with your retirement that there are trade-offs between “Income”, “Time”, “Stuff” and “Security”. Always make sure that you are choosing your “Highest Values”!
10. After engagement of FTA’s services to accomplish all the steps listed above (and all steps are complete):
11. Your “FTA Fiduciary Team” will, upon request, strive to help you establish a more efficient Long-Term Care strategy that strives to protect assets from the spend-down in the event of a LTC health crisis. This is vitally important, especially if you choose to self-insure.
12. Your “FTA Fiduciary Team” will, upon request, strive to your estate plan to ensure that it properly distributes your assets to Jennifer, Rick, and any future Grandkids, after you’ve lived a long and fulfilling retirement, while also striving to ensure it offers some protection against estate taxes, and health events and protecting you in case you become incapacitated.
13. Your “FTA Fiduciary Team” will, upon request, strive to review your beneficiary designations.
14. Your “FTA Fiduciary Team” will, upon request, strive to review any insurance that you have, to strive to ensure that you are maximizing your premium dollars and have proper coverages.
15. Your “FTA Fiduciary Team” will, upon request, strive to review your taxes and assist in implementing various potential strategies to strive to save you money on taxes based upon the tax laws at that time.
16. (OPTIONAL): Your “FTA Fiduciary Team” will, upon request perform a Security Maximization Calculation and a Time Value of Money Calculation to help you strive to make the best choices about your Social Security.
17. (OPTIONAL): Your “FTA Fiduciary Team” will upon request strive to help you make the best choices about your RMD’s AND/OR doing Roth Conversions on your qualified plans.
18. Establish an ongoing meeting system to review the fully implemented plan in case any changes are needed (i.e. health status, family status, change in tax or estate laws, market or economic conditions and just general reviews).
19. A thorough review between Rob, and your “FTA Fiduciary Team” must occur AT LEAST annually, preferably more often.
20. Your plan will be monitored daily by your “FTA Fiduciary Team”.
21. Your “FTA Fiduciary Team” stands ready to answer any financial questions quickly and efficiently, to the best of our ability, or help you with all financial concerns that you may have now and in the future to help you strive to ensure that you have “financial peace of mind” and can apply your full effort to enjoying your retirement!

# **Notes**