



planner
portal

PREPARED FOR:
Neil and Judy Saunders
526 Bloom Circle
Greenwood, NE 68366
phone: 854-558-6654

PRESENTED BY:
Bill Whitman
Pinehill Financial
123 Main Street, Suite 33
Greenwood, NE 68366
phone: 888-999-6655



RETIREMENT PLANNING

AUGUST 21, 2013

PLEASE READ THIS DISCLOSURE CAREFULLY.

This information may help you analyze your financial planning needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. This service shall not infer that company assumes any fiduciary duties. In addition, such service should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we can not guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.

RETIREMENT PLANNING

Introduction

PREPARED FOR: Neil and Judy Saunders
PRESENTED BY: Bill Whitman
August 21, 2013



INADEQUATE SAVINGS

Having enough money for retirement can be one of the biggest financial concerns among Americans today. According to a recent survey by the Employee Benefit Research Institute, 70% of people polled said that future retirees will be financially "worse off" than current retirees. Almost the same number, 68 percent, think the percentage of elderly people living at or below the poverty line will increase in the future because of inadequate savings.

Some of this pessimism - particularly among younger people - comes from low expectations about the future of Social Security. Seventy-two percent of people think their benefits will be cut off or even eliminated altogether by the time they retire.



ROADBLOCKS TO RETIREMENT

Inflation: Inflation is constant, steady erosion of money's value. The amount of erosion varies - in some years the rate of inflation is higher than in others. But the effect of inflation never changes: the cost of living keeps going, so you need more money just to break even.

Taxes: Just as inflation can erode your savings, income taxes can have a dramatic effect on your total return, negating as much as a third of your earnings. Consider carefully your savings vehicles to minimize "tax-bite" and maximize earnings. Consult your tax advisor with any questions on taxation issues.

Procrastination: By far the most dangerous of retirement roadblocks is procrastination. Each year that saving is postponed you lose the advantages of compound growth in that year. In exchange for a higher standard of living now you may deteriorate your standard of living during retirement.



SOURCES OF RETIREMENT INCOME

Today, two traditional sources of retirement income - Social Security and company pension plans are figuring less and less in people's retirement planning. By some estimates these two sources will provide just 20 to 25 percent of what those in the middle-to-upper income group will need to live comfortably when they retire. The forecast is cloudy for Social Security. Some actuaries believe either the system is going broke and will be out of business before today's younger workers come close to retirement age, or Social Security will provide only a marginal contribution to the incomes of those other than the poorest retirees.

RETIREMENT OBJECTIVES

		YOU	SPOUSE
After-Tax Income Desired	\$97,500	43	41
Average Tax Rate (Pre-Retirement)	25%	65	65
Average Tax Rate (Post-Retirement)	25%	\$105,000	\$25,000
Inflation Rate	5%	5%	3%
Future Legacy To Heirs	\$50,000	85	85
Adjust Legacy For Inflation?	No		
Before-Tax Return (Pre-Retirement)	5%		
Before-Tax Return (Post-Retirement)	5%		

SOCIAL SECURITY/PENSION

		YOU	SPOUSE
Include Social Security?	Yes	\$0	\$25,000
Social Security Inflation Rate	5%	Yes	Yes
Annual Pension Benefit		1	65
Adjust pension for inflation?		n/a	n/a
Pension Begin Age		n/a	n/a
Social Security Override Age		n/a	n/a
Social Security Override Amount			

SAVINGS PLANS

	YOU	SPOUSE	INCREASE W/ PAY?
Annual Savings (Qualified Plans - Traditional)	\$0	\$0	No
Annual Savings (Qualified Plans - Roth)	\$1,500	\$0	Yes
Annual Savings (Non-Qualified Plans)	\$1,000	\$0	Yes

ADDITIONAL RETIREMENT RECEIPTS

DESCRIPTION	AMOUNT	START AGE	END AGE	INCREASE
Rental	\$15,000	65	85	3%
	\$0	0	0	0%

ASSETS

DESCRIPTION	AMOUNT	OWNERSHIP	TYPE
House	\$350,000	Joint Tenancy	Taxable Investment
Savings	\$50,000	Client	Liquid
Roth	\$225,000	Client	Roth Qualified Plan



ASSET ACCUMULATION

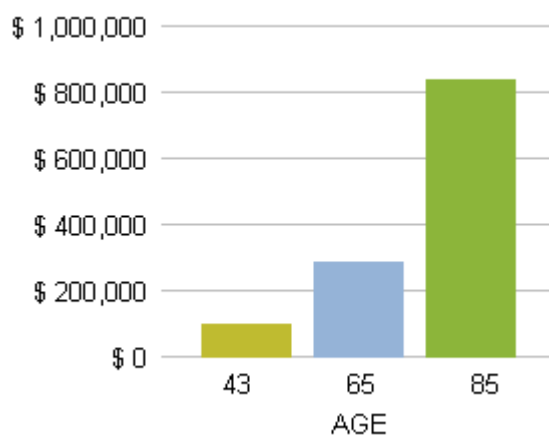
With regular contributions to a savings plan(s) and the effects of compounding interest, your retirement assets can accumulate to \$1,710,035 by the time you are ready to retire!



GROWING RETIREMENT INCOME NEEDS

Unfortunately, just as your assets grow over time so do your retirement income needs. It may surprise you how much inflation can impact your retirement income needs.

TODAY:	\$97,500
RETIREMENT:	\$285,213
END OF RETIREMENT:	\$834,322



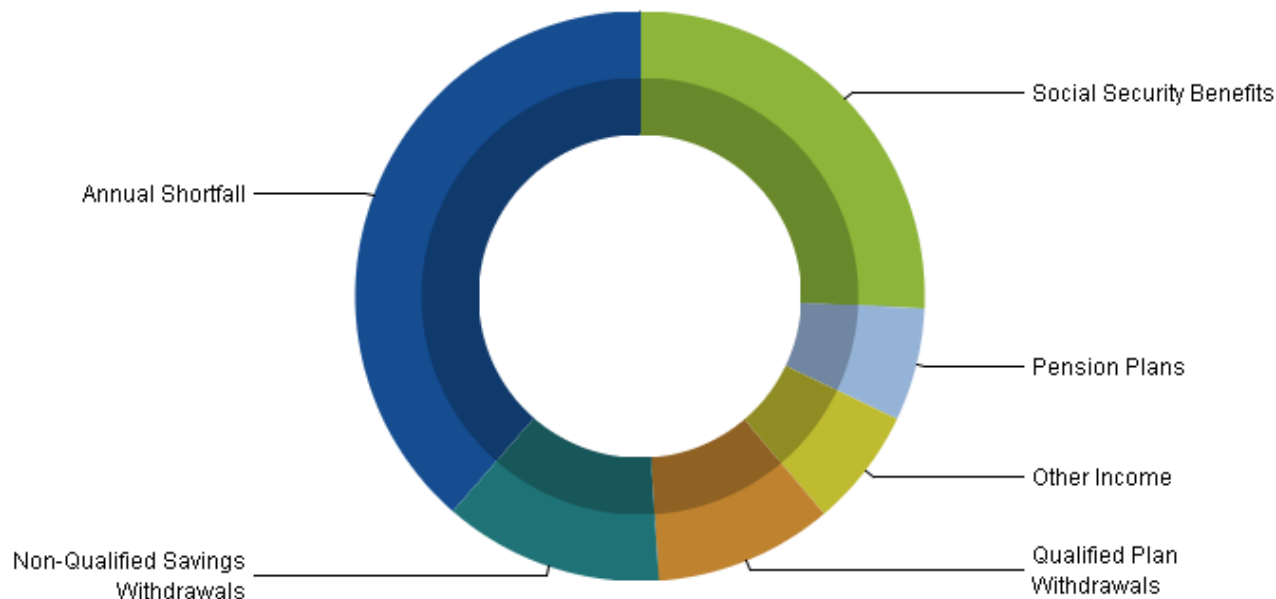
IMPORTANCE OF PLANNING

Careful planning can help you realize your financial goals and help you maintain the same standard of living you are accustomed to during your retirement years.

These projections are hypothetical. This information is meant to provide you with a general idea about your retirement income needs. The results given are for illustrative purposes only and do not represent the actual performance of any current or future investment. Rates of return will vary over time, especially for long-term investments.

RESULTS AND RECOMMENDATIONS

ESTIMATED SOURCES OF RETIREMENT INCOME



Based on your current assumptions it appears that your annual retirement income objective of \$97,500 per year (in today's dollars) would not likely be met. The sooner you take action to address your shortfall the easier it will be to adjust your finances and/or expectations.

POTENTIAL SOLUTIONS

Your retirement objective of \$97,500 will not likely be met on your current course. Consider the following potential solutions:

- Reduce your income expectations.
- Seek to improve your expected returns.
- Consider postponing your retirement.
- Reduce the legacy to your heirs.

You may choose to meet your objective by increasing the amount you choose to save each month.

To meet your objective you could save an additional \$5,688 monthly in a qualified, tax-advantaged investment. This savings level would generate a tax savings of \$1,422 resulting in a net, out-of-pocket cost of \$4,266.

Or you could save an additional \$6,054 monthly in a non-qualified, taxable investment. *



SUMMARY (AVERAGES)

Purchasing Power:	\$97,500
Current Plans Provide:	\$63,358
Annual Shortfall:	\$34,142

* Qualified investment assumes new savings are invested at 5.0%. Non-qualified investment assumes new savings are invested at 3.8% after taxes. Assumed marginal tax rate of 25.0% before retirement, and 25.0% during retirement. Annual contributions are assumed to increase with inflation at 0.0%.

These projections are hypothetical. This information is meant to provide you with a general idea about your retirement income needs. The results given are for illustrative purposes only and do not represent the actual performance of any current or future investment. Rates of return will vary over time, especially for long-term investments.

DETAILS OF PRE-RETIREMENT ACCUMULATION PHASE

Year	Your Age	Spouse Age	Investment Assets Beginning Balance	Annual Investment Savings	Investment Interest @ 3.8%	Qualified Retirement Assets Beginning Balance	Qualified Annual Retirement Savings	Qualified Retirement Interest @ 5%	Total Ending Balance
1	43	41	400,000	1,000	15,038	225,000	1,500	11,325	653,862
2	44	42	416,038	1,050	15,641	237,825	1,575	11,970	684,098
3	45	43	432,728	1,102	16,269	251,370	1,654	12,651	715,774
4	46	44	450,099	1,158	16,922	265,675	1,736	13,371	748,961
5	47	45	468,179	1,216	17,602	280,782	1,823	14,130	783,732
6	48	46	486,997	1,276	18,310	296,735	1,914	14,932	820,166
7	49	47	506,584	1,340	19,047	313,582	2,010	15,780	858,343
8	50	48	526,971	1,407	19,814	331,372	2,111	16,674	898,349
9	51	49	548,192	1,477	20,613	350,157	2,216	17,619	940,274
10	52	50	570,282	1,551	21,444	369,992	2,327	18,616	984,212
11	53	51	593,277	1,629	22,309	390,935	2,443	19,669	1,030,262
12	54	52	617,215	1,710	23,210	413,047	2,566	20,781	1,078,528
13	55	53	642,135	1,796	24,147	436,393	2,694	21,954	1,129,120
14	56	54	668,078	1,886	25,124	461,041	2,828	23,193	1,182,151
15	57	55	695,088	1,980	26,140	487,063	2,970	24,502	1,237,742
16	58	56	723,208	2,079	27,198	514,535	3,118	25,883	1,296,021
17	59	57	752,485	2,183	28,300	543,536	3,274	27,341	1,357,118
18	60	58	782,968	2,292	29,447	574,151	3,438	28,879	1,421,175
19	61	59	814,707	2,407	30,642	606,468	3,610	30,504	1,488,337
20	62	60	847,755	2,527	31,886	640,582	3,790	32,219	1,558,759
21	63	61	882,168	2,653	33,181	676,591	3,980	34,029	1,632,601
22	64	62	918,002	2,786	34,530	714,599	4,179	35,939	1,710,035

These projections are hypothetical. This information is meant to provide you with a general idea about your retirement income needs. The results given are for illustrative purposes only and do not represent the actual performance of any current or future investment. Rates of return will vary over time, especially for long-term investments.

DETAILS OF POST-RETIREMENT DISTRIBUTION PHASE

Year	Your Age	Spouse Age	Social Security	Pension Plan	Wages & Other Income	Total After Tax Income @ 25%	Retirement Income Needs	After-Tax Withdrawal Investments	After-Tax Withdrawal Qualified	Retirement Savings Balance	Annual Shortfall
23	65	63	78,547	0	76,644	116,393	285,213	168,820	0	1,608,444	0
24	66	64	82,474	0	78,943	121,063	299,474	178,411	0	1,493,566	0
25	67	65	129,896	25,000	30,492	139,041	314,447	175,406	0	1,377,992	0
26	68	66	136,391	26,250	31,407	145,536	330,170	184,634	0	1,249,030	0
27	69	67	143,211	27,562	32,349	152,342	346,678	194,336	0	1,105,712	0
28	70	68	150,371	28,941	33,319	159,473	364,012	142,480	62,059	946,232	0
29	71	69	157,890	30,388	34,319	166,947	382,213	0	215,265	767,515	0
30	72	70	165,784	31,907	35,348	174,780	401,323	0	226,543	568,020	0
31	73	71	174,074	33,502	36,409	182,989	421,389	0	238,401	346,100	0
32	74	72	182,777	35,178	37,501	191,592	442,459	0	250,867	99,995	0
33	75	73	191,916	36,936	38,626	200,609	464,582	0	99,995	0	-163,978
34	76	74	201,512	38,783	39,785	210,060	487,811	0	0	0	-277,751
35	77	75	211,588	40,722	40,979	219,966	512,201	0	0	0	-292,235
36	78	76	222,167	42,758	42,208	230,350	537,811	0	0	0	-307,461
37	79	77	233,275	44,896	43,474	241,234	564,702	0	0	0	-323,468
38	80	78	244,939	47,141	44,778	252,644	592,937	0	0	0	-340,293
39	81	79	257,186	49,498	46,122	264,605	622,584	0	0	0	-357,980
40	82	80	270,045	51,973	47,505	277,143	653,713	0	0	0	-376,570
41	83	81	283,548	54,572	48,931	290,287	686,399	0	0	0	-396,111
42	84	82	297,725	57,300	50,398	304,068	720,719	0	0	0	-416,651
43	85	83	312,611	60,165	51,910	318,515	756,755	0	0	0	-438,239
44		84	218,828	63,174	0	211,501	794,593	0	0	0	-583,091
45		85	229,769	66,332	0	222,076	834,322	0	0	0	-612,246

These projections are hypothetical. This information is meant to provide you with a general idea about your retirement income needs. The results given are for illustrative purposes only and do not represent the actual performance of any current or future investment. Rates of return will vary over time, especially for long-term investments.



A custom, full-page disclosure can be added here.