

Quick 10-Minute Retirement Guide



**Strategies to Retire Comfortably
While Reducing the Chance of
Running out of Money**

Disclaimer: This report is written as a general source of information and education only and should not be considered a personalized investment advice. Not intended to buy or sell specific investments, or to provide tax, legal or investment advice. Seek advice on your individual circumstances from an Advisor.

INTRODUCTION



From the Desk Of
Judith Naegely
Colorado Springs, CO (*serving clients across the U.S.*)

Dear Friend,

Thank you for taking the time to read this very important report that is designed to help you with your retirement planning.

Our Mission is to help individuals, families, retirees and business owners retire comfortably.

Over the many years of working with professionals and business owners, we have found that most people are busy with their fast-paced lives trying to achieve their goals and dreams but often fail to look at core elements of their retirement plan. As a result, they end up having to delay their retirement and face challenges to live the life they desire.

Our goal with this report is to educate you on key aspects of a sound retirement plan and the key questions you must consider in order to help you retire comfortably while reducing the chance of running out of money when you need it the most.

Please block 10 minutes of time to do this with your spouse or partner.

Now with that said, let's get going...

Enjoy :)

Judith Naegely



Retirement planning can be one of the most daunting and challenging decisions for individuals and families to make.

There are many questions that one needs to answer to be able to prepare for retirement. A lack of proper planning can lead to delayed retirement. Most people work their entire lives to save enough to retire but then are not able to decide when is the right time. To help you with proper retirement planning, minimizing risks and seeking proper advice, we recommend keeping the following questions in mind.

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1. Where do you stand in your retirement journey?

Most people plan to leave the workforce at some point in time, so retirement planning is something that everyone must do.

Most people fall into three key life stages. It is crucial to understand these stages since your retirement strategies will be different depending on your stage.



Planning for Retirement

When it comes to your financial future, the most important factor in your favor is your age. You must take advantage of the time you have, make regular contributions to tax-advantaged retirement accounts and potentially boost savings with matching funds offered by your employer. Your goal should be to begin building assets and income streams for your retirement, accounting for factors such as longevity, healthcare costs, inflations, etc.

Nearing Retirement

As you approach the end of your career, you must review your goals and plan for life in your retirement. Some key questions you must answer include: When do you want to retire? How will you spend your days? Where do you want to live? You need to estimate your income and expenses and establish a cash flow management strategy for your retirement. If you need to catch up you may consider making larger contributions to your retirement accounts, start looking into ways to maximize Social Security benefits and examining Medicare Plan options.

In Retirement

The key to retirement is your income and tax-efficient withdrawal strategies. You may want to consolidate your assets, and investment accounts. This will help you plan a steady pay check to ensure you meet your lifestyle and giving goals. Remember planning continues in retirement.

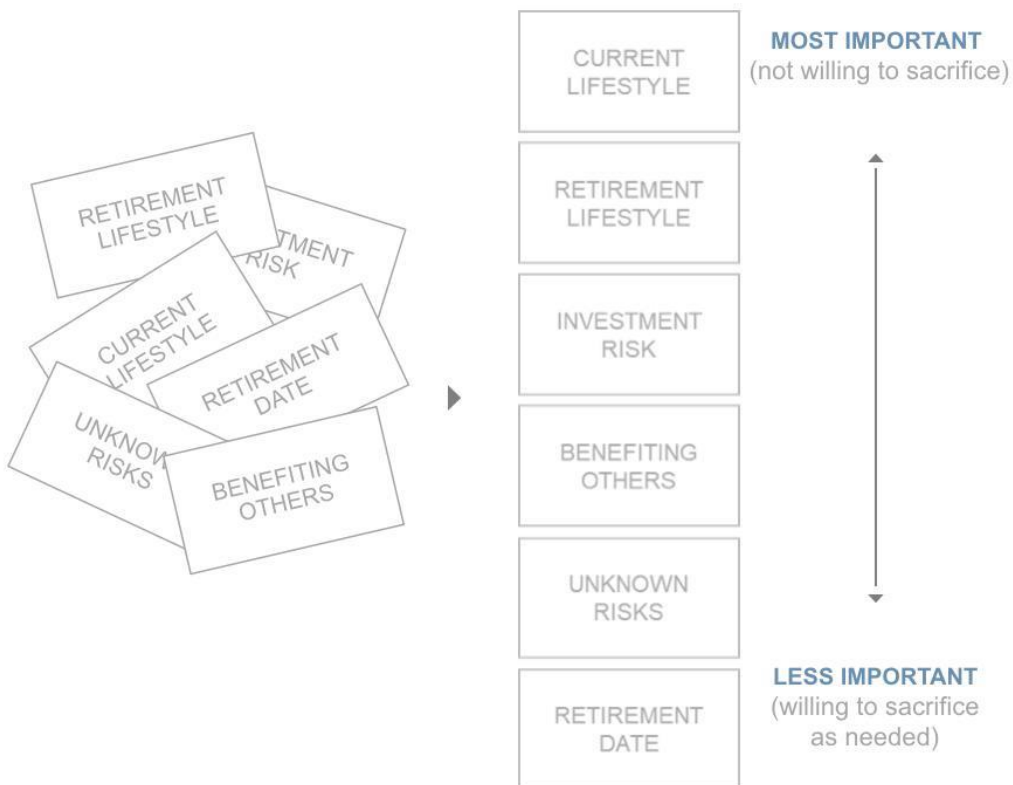


2. What are your goals for retirement?

Your goals may change over time. When it comes to setting retirement goals, you must take into consideration how you plan to spend your “time” and “money” during retirement. It is always best to write down your goals.

Some questions to help you come up with these goals are: Where do you want to live? What do you want to do with your time? Do you want to give to charities? Do you want to give to your children and grandchildren? Do you want to learn new skills you are passionate about? Do you want to travel?

Retirement planning requires individuals and families to prioritize among competing objectives and establish where they might be willing to sacrifice to achieve their goals.





3. What are the important trade-offs you need to make?

Most people need to withdraw money from their investment accounts during retirement to achieve their lifestyle goals. Income and cash flow management during retirement can be challenging. The amount of the withdrawal made along with market conditions and inflation will impact how long one's retirement funds will last. This is a crucial question that an individual must prepare for.

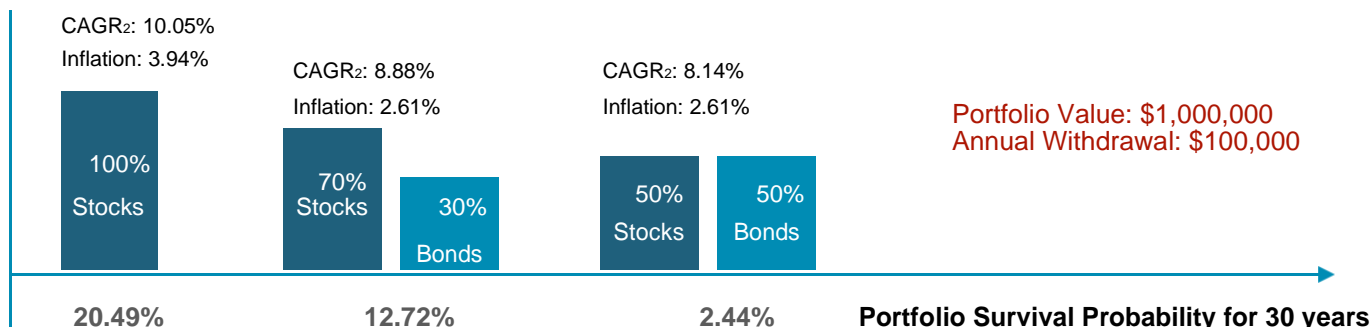
For example, you may need to reduce your withdrawal or increase your exposure to stocks which are affected by market volatility in order for your investment to last longer.

To help illustrate this point, we have created the following two scenarios of withdrawal from a \$1,000,000 retirement investment account. We used a traditional Monte Carlo simulator that uses historical data to provide a future forecast using the inflation adjustment.¹

The two scenarios are based on a 30-year period, with a withdrawal of \$100,000 and \$50,000, and using three different portfolio strategies: 100% Stocks, 70% Stocks/30% Bonds and 50% Stocks/50% Bonds.

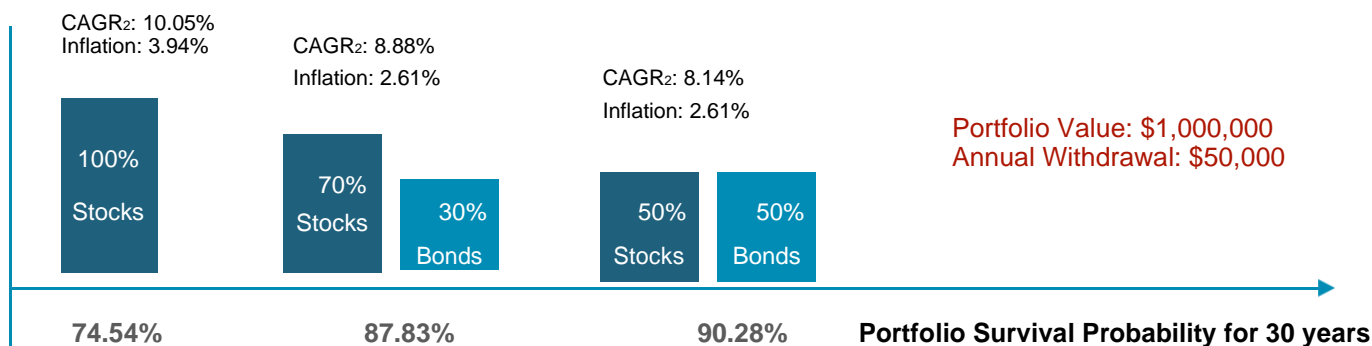
¹ The Monte Carlo simulation used is based on the historical return where it uses historical data to forecast future returns. We have used fixed annual withdrawal and the simulation uses the yearly inflation adjustment. The results shown by the simulation are based on 10,000 portfolios with \$1,000,000 initial portfolio balance using available historic returns data from Jan 1987 to Dec 2018. The simulated inflation model uses historical data based on the Consumer Price Index (CPI-U) data from Jan 1987 to Dec 2018. For Stocks, the simulation uses US Stock Market and for Bonds, the simulation uses Total US Bond Market for portfolio distribution. These portfolios are just selected to demonstrate a simulated scenario to illustrate a point. No assurance or guarantee is given that these returns will be achieved. 1776 Financial and Raymond James makes no claim to its accuracy. Investing in security involves risks of loss. Past performance is not an indicator of future returns.

Scenario 1: In this scenario the investor is withdrawing \$100,000 per year from the retirement portfolio of \$1,000,000 for a 30-year period



Scenario 1 shows us that the probability of your portfolio lasting 30 years is quite low at 20.49% in the best case.

Scenario 2: In this scenario the investor is withdrawing \$50,000 per year from the retirement portfolio of \$1,000,000 for a 30-year period



Scenario 2 shows us that the probability of your portfolio lasting 30 years is quite high at 90.28% in the best case.

While Scenario 2 has a very positive outcome, consider what is the right mix of investment for you.

For illustrative purposes only, not indicative of any specific investment product.

² CAGR: Compound Annual Growth Rate

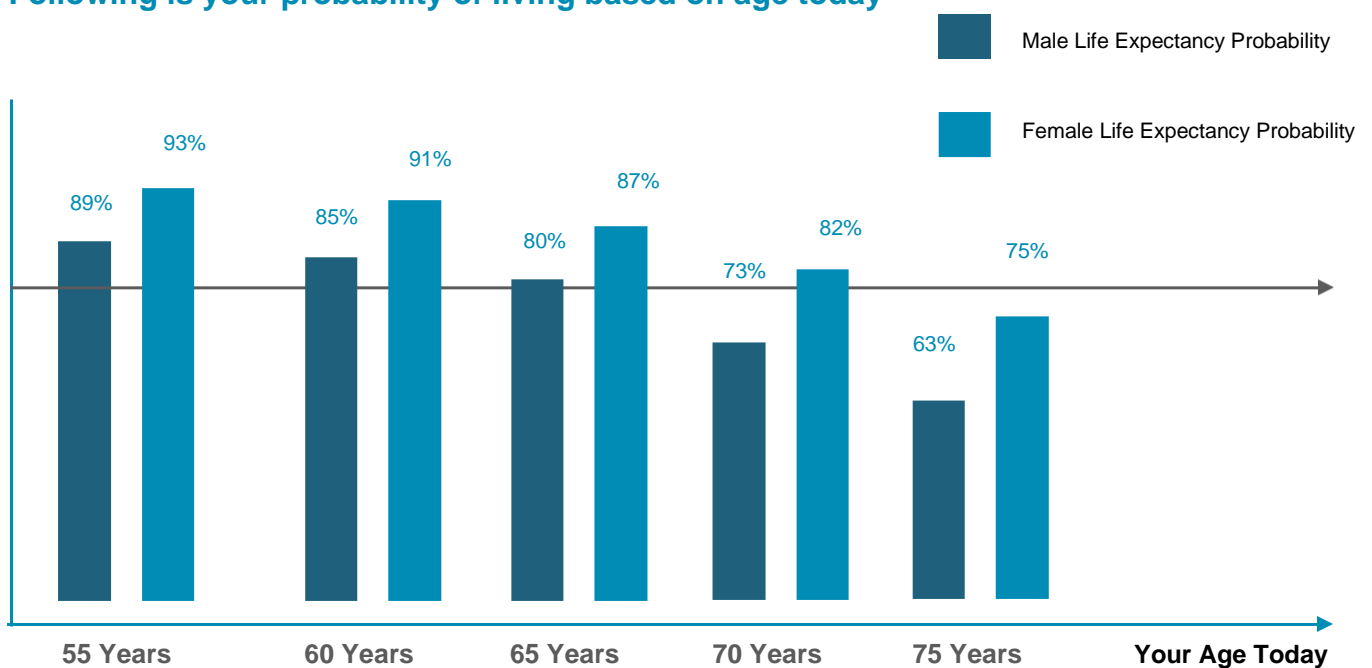


4. How long will my portfolio need to provide?

Individuals are living longer than ever before due to many advancements in the medical field. This means you must plan for a longer life and ensure that your money is going to last to provide for you and/or your partner. Life expectancy varies by gender so you must plan accordingly.

According to the Social Security Administration life expectancy data below, you see projected life expectancy and what you need to plan for.³

Following is your probability of living based on age today



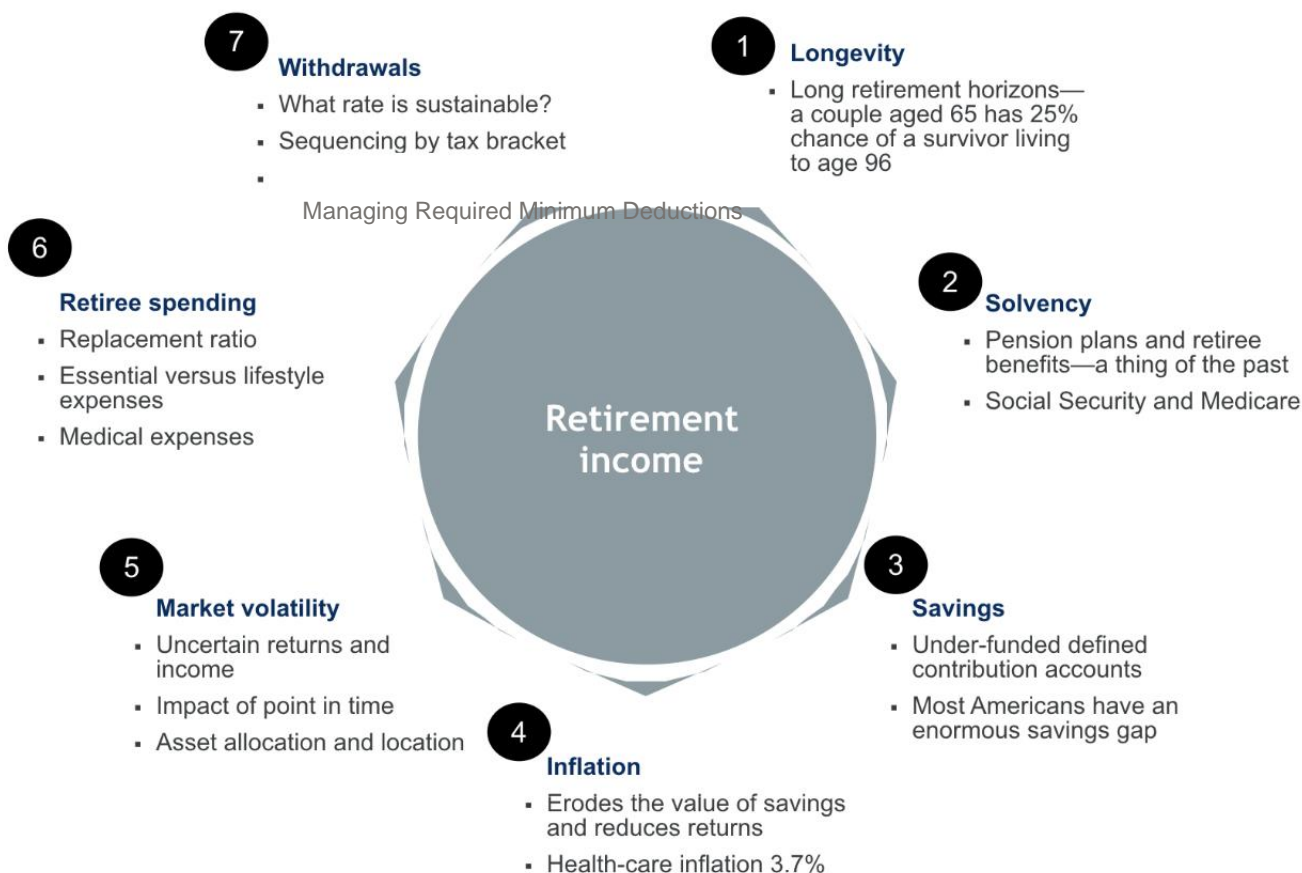
³ Social Security Actuarial Life Table: <https://www.ssa.gov/OACT/STATS/table4c6.html>



5. What are the risks I face during my retirement?

As you look to the future, there are a lot of unknowns, and the key to a secure and comfortable retirement is making sure that your plan is flexible enough to withstand the unexpected. You need to evaluate your personal plan for the sensitivity to changes in many of the different risks that can impact your chances of achieving your goals.

Following are the seven major risks most retirees face today



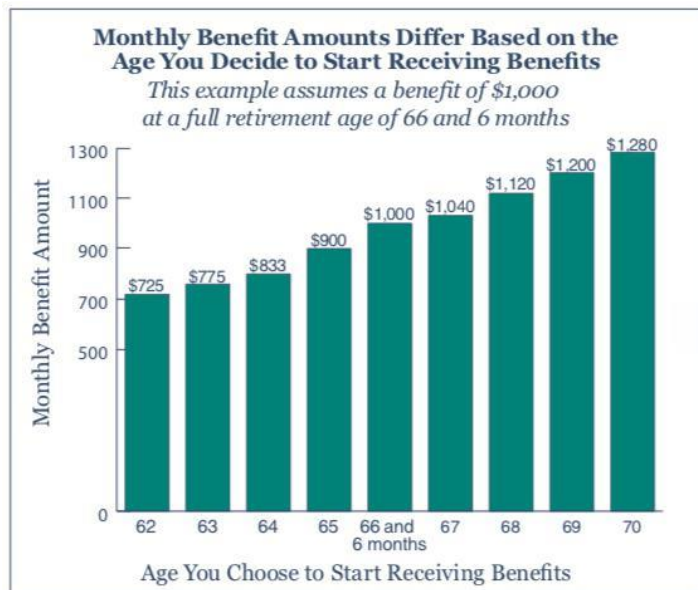
6. What is the best age to start receiving your Social Security benefits?

For individuals that are eligible, Social Security benefits can be an important source of cash flow in retirement and the amount you receive will directly impact your overall retirement plan and longevity of your portfolio. However, you shouldn't just rely on Social Security benefits as the main source in your retirement.

A key question most individuals must answer is: When should I decide to start using Social Security for my retirement?

The simple rule of thumb of Social Security is: The longer you wait to claim Social Security the greater the benefit payment could be. The sooner you claim Social Security the lower the benefit payment could be.

The following chart shows the impact to the monthly benefit amount based on age



This chart shows an example of how your monthly benefit increases if you delay when you start receiving benefits.

Let's say you turned 62 in 2019, your full retirement age is 66 years and 6 months, and your monthly benefit starting at full retirement age is \$1,000.

If you started claiming benefits at age 62, your benefit would've been reduced by 27.5% to \$725 to account for the longer time you will receive benefits. This decrease is usually permanent.

If you choose to delay getting benefits until age 70, you would increase your monthly benefit to \$1,280. This increase is the result of delaying retirement withdrawal past your retirement age. The benefit at age 70 is about 76% more than the benefit you would receive each month if you start getting benefits at age 62, a difference of \$555 each month.⁴

A decision on the timing of Social Security withdrawal has a significant impact on your overall cash flow and income in retirement. Given all the risks we discussed above, you must carefully plan for Social Security benefits to determine your optimal strategy.

⁴ Social Security Administration report on when to start receiving benefits



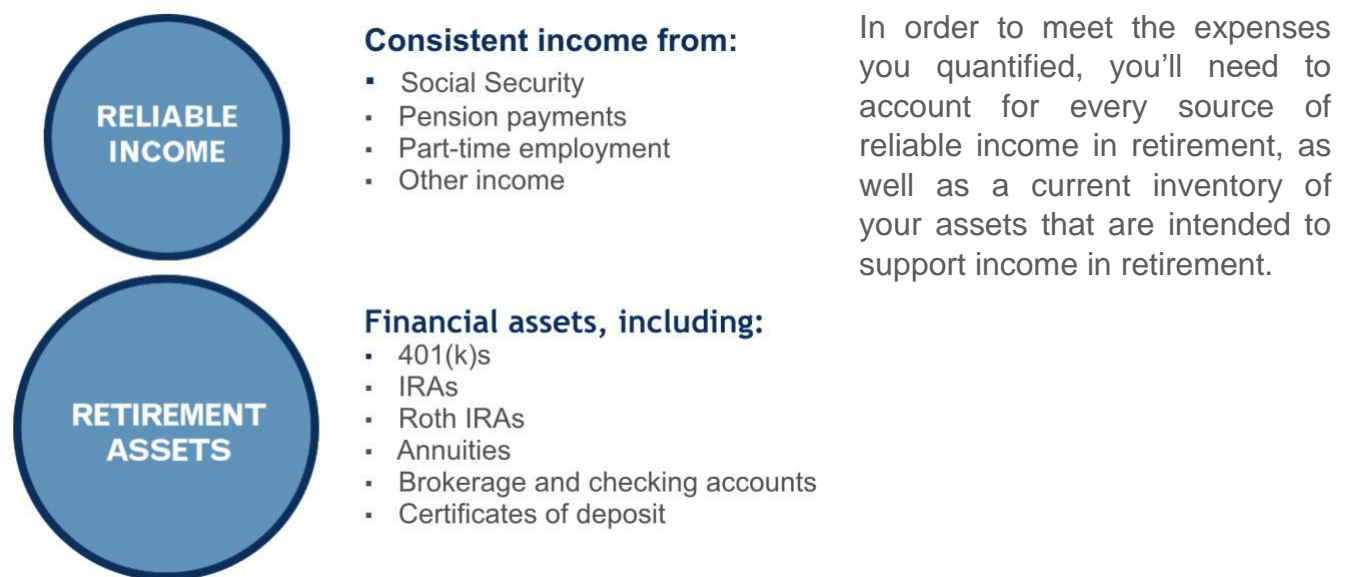
7. How do you manage cash flow in retirement?

Cash flow management is an important factor in implementing a retirement income strategy and monitoring progress. Most retirees face challenges in consolidating all of their income and expense activities that leads to difficulty in keeping an eye on the longevity of their retirement portfolio.

Cash flow management has two core components, income and expenses. For most retirees, the nature of income and expense changes when they transition from working to retirement.

Retirement Income Source

For most retirees there will be two main sources of income as shown below:



Retirement Expenses Sources

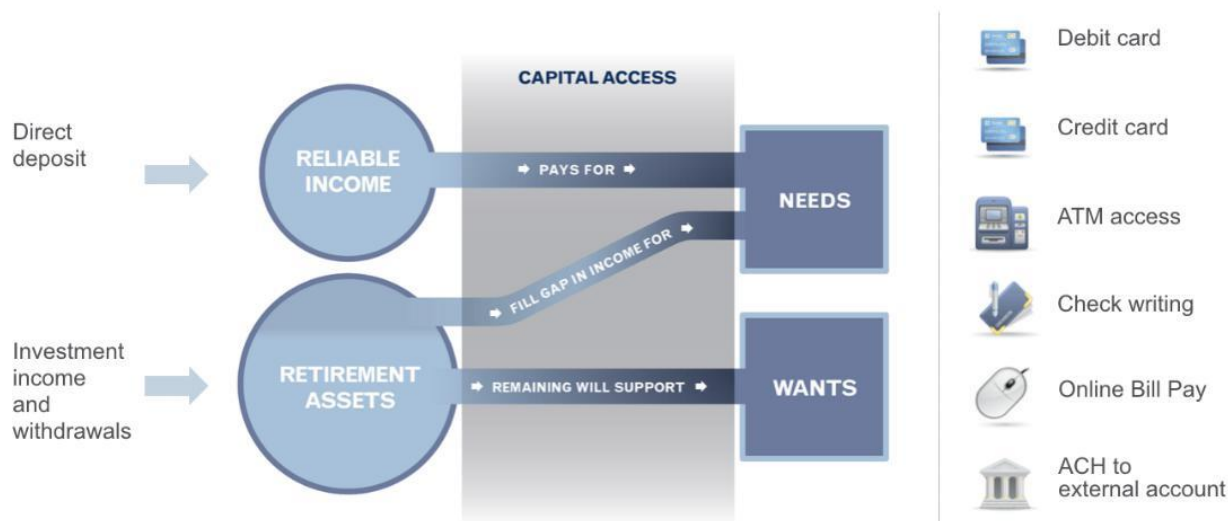


Once you quantify your sources of income, you can determine whether that income is sufficient to fund – at a minimum – those expenses you have identified as “needs.” It’s probable that you’ll need to withdraw from the assets you’ve designated for retirement to meet these needs.

If your reliable income isn’t enough to at least cover the needs you’ve identified, you should analyze how your assets are allocated and evaluate how your portfolio could be structured to generate income for your needs.

Once you’ve identified how much of your retirement assets will be required to fulfill your needs, you’ll determine what withdrawal rate is sustainable to support your wants.

Creating your unique spending policy will help you to understand how much of your portfolio can be spent on non-essential expenses by setting up a sustainable withdrawal rate over time.



Consolidating direct deposits and withdrawal activities through a Capital Access account improves your ability to monitor your progress against your goals and make adjustments to your strategy as necessary.

Facts About Marathon Wealth and Protection Strategies To Guide You With Your Retirement Plan



Your Firm Name Your Current Retirement Plan

Your retirement portfolio is tailored to your specific need, taking into account your investment horizon, objectives, cash flow needs, risk tolerance and other factors that are personal to you.



You get an opportunity to work in person with our experienced Advisors who will personally look after your retirement plan



Our team provides a disciplined approach to investing and keeps your retirement plan objective in place



Your portfolio will be managed by a team that has combined experience of over 70 years



We help you consolidate your investments which enables you to see the “big picture” and develop a holistic income distribution plan - tapping assets in a logical order to minimize taxes and maximize ongoing opportunities



HERE'S HOW WE CAN HELP YOU...

Congratulations !!! You Made It...We are sure you feel more knowledgeable and empowered. We applaud you for that...

Now if you feel a little overwhelmed and uncertain, then we have something that will really help you. At Marathon Wealth and Protection Strategies, we offer a team approach to financial and retirement planning. We work with our clients to understand their unique circumstances and ultimately create a personalized financial plan that provides a roadmap for their retirement journey.

We offer comprehensive services that cover all phases of life from retirement planning to being retired. We have a four-step process: Assess, Create, Implement and Manage. We believe this is where our clients get a true value of a holistic financial planning strategy.

We would like to offer you a **Complimentary Consultation** and assessment of your retirement plan and answer any questions.

Please email us at judith@marathonwps.com or call our office at 719-265-7074

In this session, we will review your personal goals, current financial situation, answer your questions and give you some insights on potential areas of concern. We take this session very seriously and will focus our attention on helping you with your plan.

Note: It's our goal for this session to be of immense insight and value even if you are working with another Financial Advisor today.

We look forward to our discussion.

Thanks

Judith Naegely



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