

# Financial Wellness

How is your financial health? Is it time for a check-up?



We are excited to present a seven-part series on financial wellness that will cover several financial struggles Americans face and solutions to overcome them.

## Part VII: How Long will Your Money Last?

The big question when it comes to retirement is, “How much money am I going to need?” With all of the advanced education and strategy tools available, it is still often difficult to understand the difference between what you can save for retirement and what is needed to retire. Sometimes, it is helpful to see what your account can actually provide over the course of your retirement. It can also help you set an achievable goal.

Savings	Monthly income for 10 years <sup>1</sup>	Monthly income for 20 years <sup>1</sup>	Monthly income for lifetime of individual and spouse <sup>2</sup>
\$50,000	\$493	\$289	\$174
\$100,000	\$986	\$578	\$349
\$150,000	\$1,479	\$867	\$523
\$200,000	\$1,972	\$1,157	\$698
\$250,000	\$2,465	\$1,446	\$872
\$500,000	\$4,930	\$2,891	\$1,745
\$750,000	\$7,395	\$4,337	\$2,617

The monthly incomes are hypothetical and not intended to project the performance of any specific investment or insurance product.

Monthly income can be greatly influenced by the number of distribution years. A shorter payout over 10 years will result in the highest monthly distribution amount, but the risk is if you live longer than 10 years in retirement, you may actually run out of money. Perhaps the most important decision is to decide when you actually want the distributions to begin. Deferring the beginning date of distributions from your account a few years can not only reduce the payout timeframe, but could allow an opportunity for additional asset growth depending on investment performance.

For more information on increasing your deferral amount, please call our plan’s advisor at (505) 884-0451 or email at Kelly@charlesstephen.com.

<sup>1</sup>Payment increases 2% annually to help offset effects of inflation. Illustrative amounts based on 3.5% interest rate. Lifetime payments assume retirement age of 65. Based on 5.5% annual yield compounded monthly. Investment option performance can dramatically affect these numbers. Inflation can also seriously affect the value of the withdrawals. Rate of return is hypothetical and does not represent any specific investment option or imply guaranteed results. Amounts shown do not reflect the impact of taxes on earnings, your actual return will vary depending on your investment option and your tax bracket. <sup>2</sup>Lifetime payments assume start at age 65 over two lives, Joint and Survivor at 100% survivor benefit and 3% COLA. Analytics provided by MassMutual. Securities offered through Kestra Investment Services, LLC (Kestra IS), member FINRA/SIPC. Investment advisory services offered through Kestra Advisory Services, LLC (Kestra AS), an affiliate of Kestra IS. Charles Stephen & Company is not affiliated with Kestra IS or Kestra AS. Kestra IS and Kestra AS are not affiliated with any other entity listed on this document. ACR#272101 01/18