



**Krosnowski & Scott LLC**  
Investment & Retirement Planning Specialists

## Retirement Income Analysis

- I. The Retirement Income Analysis (RIA) was designed to answer two important questions:
- A. “Can I afford to retire?”
  - B. “How long will my retirement assets last?”
- II. The column on the far right hand side of the report (Inflation Adjusted Annualized Income) represents your projected gross annual spending increasing at 3% annually to allow for inflation. [Normally, the retiree provides this income figure by either completing the *Budget Page* or estimating 2/3 of his/her current earned income.]
- III. **Sequence and Sources of Income:** After identifying how much income you need to retire comfortably and protect against inflation, we can now identify where your income will come from. The following is a list of retirement income needs:
- Column 1:** Future Earned Income by retiree and/or spouse, severance, and vacation can be included in this category
  - Column 2:** Pension annuity income, if applicable, for retiree and/or spouse.
  - Column 3:** Social Security data for retiree and/or spouse (normally starts between the ages of 62 and 65) obtained from client through social security or numbers taken from general tables.
  - Column 4:** IRA Rollover Balances pertain to all qualified retirement plan balances and include existing IRA’s, lump sum pension balances, pre-tax 401K Savings Plan balances, and ESOP.
  - Column 5:** After-tax (non qualified) Investment Balances (the RIA has been designed to draw on these assets before the IRA Rollover because they are tax deferred\*) include bank accounts, after-tax 401K Savings Plan balances, and any other financial assets held outside of your company’s qualified retirement plan such as stocks, bonds, mutual funds, etc.
- IV. We can run various “What if ?” RIA scenarios for you. The optimal RIA result is to see your investment balances (IRA Rollover or After-tax) grow while you are enjoying a comfortable (inflation adjusted) level of retirement income.
- \* The RIA income generation sequence can be adjusted if you prefer to draw on your IRA Rollover assets first and your after-tax assets second. (This adjustment normally matches up better with your 72(t) analysis)
- \*\* We do not provide tax or legal advice. Please consult your tax advisor for any tax-related issues.
- \*\*\* This analysis is for illustrative purposes only. Income and net worth illustrated in this report cannot be guaranteed.

# RETIREMENT INCOME ANALYSIS FOR: Mr. Example

*Scenario 1: Withdrawing \$55,000 Gross Annualized Income from Assets*

Age of Mr.	Month-Year	Earned Income	Total Pension	Mr. Social Security	Mrs. Social Security	IRA Rollover		After Tax Assets		No Inflation Annualized Income	Inflation Adjusted Annualized Income
						Beginning Balance	Pre-Tax Annual Payout	Beginning Balance	Annual Payout		
57	Jan-13	\$75,000	\$0	\$0	\$0	\$1,038,000	\$0	\$0	\$0	\$55,000	\$55,000
58	Jan-14	\$25,000	\$0	\$0	\$0	\$1,100,280	\$31,375	\$0	\$0	\$55,000	\$56,375
59	Jan-15	\$25,000	\$0	\$0	\$0	\$1,134,922	\$32,784	\$0	\$0	\$55,000	\$57,784
60	Jan-16	\$25,000	\$0	\$0	\$0	\$1,170,233	\$34,229	\$0	\$0	\$55,000	\$59,229
61	Jan-17	\$25,000	\$0	\$0	\$0	\$1,206,218	\$35,710	\$0	\$0	\$55,000	\$60,710
62	Jan-18	\$25,000	\$0	\$0	\$0	\$1,242,881	\$37,227	\$0	\$0	\$55,000	\$62,227
63	Jan-19	\$0	\$0	\$0	\$21,000	\$1,280,226	\$42,783	\$0	\$0	\$55,000	\$63,783
64	Jan-20	\$0	\$0	\$0	\$21,525	\$1,314,257	\$43,853	\$0	\$0	\$55,000	\$65,378
65	Jan-21	\$0	\$0	\$0	\$22,063	\$1,349,260	\$44,949	\$0	\$0	\$55,000	\$67,012
66	Jan-22	\$0	\$0	\$0	\$22,615	\$1,385,266	\$46,073	\$0	\$0	\$55,000	\$68,687
67	Jan-23	\$0	\$0	\$0	\$23,180	\$1,422,309	\$47,225	\$0	\$0	\$55,000	\$70,405
68	Jan-24	\$0	\$0	\$0	\$23,760	\$1,460,423	\$48,405	\$0	\$0	\$55,000	\$72,165
69	Jan-25	\$0	\$0	\$0	\$24,354	\$1,499,644	\$49,615	\$0	\$0	\$55,000	\$73,969
70	Jan-26	\$0	\$0	\$0	\$24,962	\$1,540,007	\$50,856	\$0	\$0	\$55,000	\$75,818
71	Jan-27	\$0	\$0	\$0	\$25,586	\$1,581,552	\$52,127	\$0	\$0	\$55,000	\$77,714
72	Jan-28	\$0	\$0	\$0	\$26,226	\$1,624,318	\$53,430	\$0	\$0	\$55,000	\$79,656
73	Jan-29	\$0	\$0	\$0	\$26,882	\$1,668,346	\$54,766	\$0	\$0	\$55,000	\$81,648
74	Jan-30	\$0	\$0	\$0	\$27,554	\$1,713,681	\$56,135	\$0	\$0	\$55,000	\$83,689
75	Jan-31	\$0	\$0	\$0	\$28,243	\$1,760,367	\$57,539	\$0	\$0	\$55,000	\$85,781
76	Jan-32	\$0	\$0	\$0	\$28,949	\$1,808,450	\$58,977	\$0	\$0	\$55,000	\$87,926
77	Jan-33	\$0	\$0	\$0	\$29,672	\$1,857,980	\$60,451	\$0	\$0	\$55,000	\$90,124
78	Jan-34	\$0	\$0	\$0	\$30,414	\$1,909,008	\$61,963	\$0	\$0	\$55,000	\$92,377
79	Jan-35	\$0	\$0	\$0	\$31,175	\$1,961,585	\$63,512	\$0	\$0	\$55,000	\$94,686
80	Jan-36	\$0	\$0	\$0	\$31,954	\$2,015,769	\$65,100	\$0	\$0	\$55,000	\$97,054
81	Jan-37	\$0	\$0	\$0	\$32,753	\$2,071,615	\$66,727	\$0	\$0	\$55,000	\$99,480
82	Jan-38	\$0	\$0	\$0	\$33,572	\$2,129,185	\$68,395	\$0	\$0	\$55,000	\$101,967
83	Jan-39	\$0	\$0	\$0	\$34,411	\$2,188,541	\$70,105	\$0	\$0	\$55,000	\$104,516
84	Jan-40	\$0	\$0	\$0	\$35,271	\$2,249,748	\$71,858	\$0	\$0	\$55,000	\$107,129
85	Jan-41	\$0	\$0	\$0	\$36,153	\$2,312,875	\$73,654	\$0	\$0	\$55,000	\$109,807
86	Jan-42	\$0	\$0	\$0	\$37,057	\$2,377,993	\$75,496	\$0	\$0	\$55,000	\$112,552
87	Jan-43	\$0	\$0	\$0	\$37,983	\$2,445,177	\$77,383	\$0	\$0	\$55,000	\$115,366
88	Jan-44	\$0	\$0	\$0	\$38,933	\$2,514,505	\$79,318	\$0	\$0	\$55,000	\$118,250
89	Jan-45	\$0	\$0	\$0	\$39,906	\$2,586,058	\$81,300	\$0	\$0	\$55,000	\$121,207
90	Jan-46	\$0	\$0	\$0	\$40,904	\$2,659,921	\$83,333	\$0	\$0	\$55,000	\$124,237
91	Jan-47	\$0	\$0	\$0	\$41,926	\$2,736,183	\$85,416	\$0	\$0	\$55,000	\$127,343
92	Jan-48	\$0	\$0	\$0	\$42,975	\$2,814,938	\$87,552	\$0	\$0	\$55,000	\$130,526
93	Jan-49	\$0	\$0	\$0	\$44,049	\$2,896,282	\$89,741	\$0	\$0	\$55,000	\$133,789
94	Jan-50	\$0	\$0	\$0	\$45,150	\$2,980,319	\$91,984	\$0	\$0	\$55,000	\$137,134
95	Jan-51	\$0	\$0	\$0	\$46,279	\$3,067,154	\$94,284	\$0	\$0	\$55,000	\$140,563
96	Jan-52	\$0	\$0	\$0	\$47,436	\$3,156,899	\$96,641	\$0	\$0	\$55,000	\$144,077