AGILE "A" Phase

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Rodgers & Associates
A BLUESPRING WEALTH PARTNER

Today’s Agenda

- What is AGILE?
- “A” Phase Critical Issues
- Why should you start early?
- Preparing for the next phase

What is AGILE?

A·G·I·L·E

Retirement Approach

A ®

ASSESS YOUR GOALS

10 years before retirement

Develop a comprehensive plan to help ensure you will reach financial independence tax efficiently.

G

GET READY

2–9 years before retirement

Reach a solid financial position through a disciplined approach to managing changes in the years leading up to retirement.

I

IMPLEMENT THE PLAN

1 year before retirement – 1 year into retirement

Transition to financial independence and fine-tune your plan to prepare for post-retirement taxes and healthcare.

L

LIVE THE DREAM

In retirement

Stay focused on decisions related to taxes, Social Security, and investments to help ensure your savings last.

E

EMBRACE FAMILY & LEGACY

Beyond retirement

Take an active role in teaching the next generation how to handle wealth and the responsibility that comes with it.

RA

"A" Phase Critical Issues

"A" Phase Critical Issues

A

ASSESS YOUR GOALS

10 years before retirement

Develop a comprehensive plan to help ensure you will reach financial independence tax efficiently.

- Take Inventory
- Create a retirement spending plan
- Save Tax Efficiently
- Verify Accuracy of Social Security Benefits
- Envision Retirement

Take Inventory

Description	Joe	Mary	Joint	Total
Investment Assets				
Employer Retirement Plans				
401(k) ABC Company	$900,000	$0	$0	$900,000
401(k) XYZ Company	$0	$900,000	$0	$900,000
Taxable and/or Tax-Free Accounts				
Local Bank Checking	$0	$0	$30,000	$30,000
Total Investment Assets:	**$900,000**	**$900,000**	**$30,000**	**$1,830,000**
Other Assets				
Home and Personal Assets				
Family Vehicle	$0	$0	$35,000	$35,000
Home	$0	$0	$450,000	$450,000
Total Other Assets:	**$0**	**$0**	**$485,000**	**$485,000**
Liabilities				
Vehicle Loan				
Family Vehicle Loan	$0	$0	$20,000	$20,000
Total Liabilities:	**$0**	**$0**	**$20,000**	**$20,000**
Net Worth:				**$2,295,000**

Create Retirement Spending Plan

How much Income will you need?

Sample Company Name, Sample Company Address, 95220

EARNINGS STATEMENT

EMPLOYEE NAME	SOCIAL SEC.ID	EMPLOYEE ID	CHECK No.	PAY PERIOD	PAY DATE
James Robert	XXX-XX-6565	454545	259248	01/23/14-01/29/14	01/31/14

INCOME	RATE	HOURS	CURRENT TOTAL
GROSS WAGES			1,000.00

DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
FICA MED TAX	14.50	72.50
FICA SS TAX	62.00	310.00
FED TAX	159.50	797.48
CA ST TAX	44.26	221.31
SDI	10.00	50.00

YTD GROSS	YTD DEDCTIONS	YTD NET PAY	TOTAL	DEDUCTIONS	NET PAY
5,000.00	1,451.28	3,548.72	1,000.00	290.26	709.74

Gross Income
$52,000

Replacement Income
$39,906

Save Tax Efficiently

Diversify your savings by account type

1. Tax-Deferred Accounts
2. Tax-Free Accounts
3. Investment/Taxable Accounts

Save Tax Efficiently Cont.

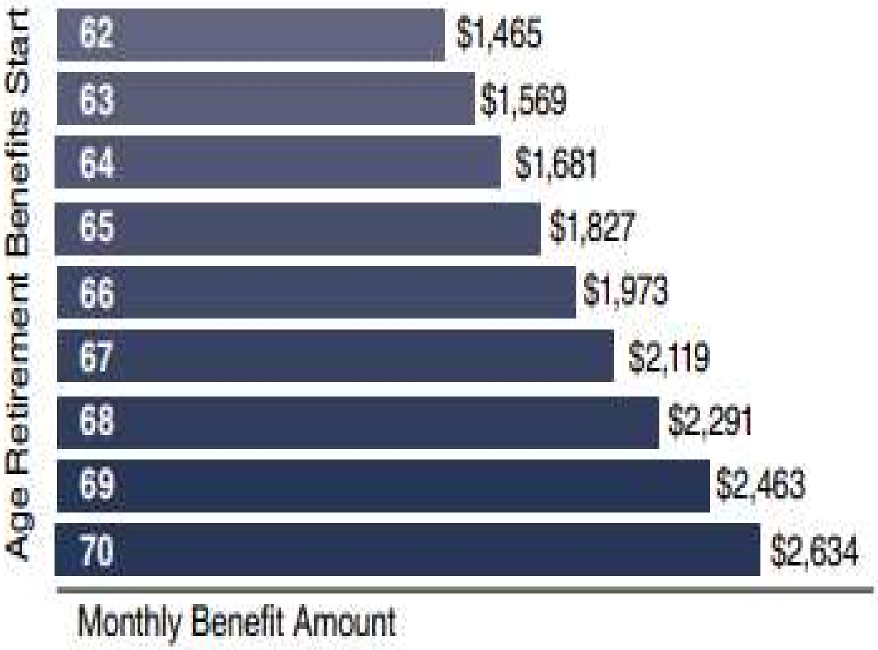
Tax Advantaged Account	Tax Benefit	2025 Contribution Limit	Catch-up Contribution
Traditional 401(k), 403(b), 457	Deduction, Growth	$23,500	$7,500*
Roth 401(k), 403(b), 457	Growth, Withdrawal	$23,500	$7,500*
Traditional IRA	Deduction, Growth	$7,000	$1,000
Roth IRA	Growth, Withdrawal	$7,000	$1,000
HSA	Deduction, Growth, Withdrawal	$8,550 (Family)	$1,000**

*For ages 50 and up, additional catch-up amounts available for those ages 60-63

** HSA catch-up contributions not allowed until age 55

Verify Accuracy of Social Security Benefits

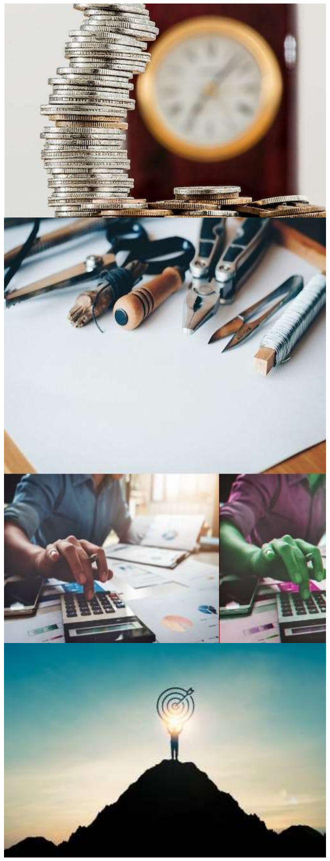
Work Year	Earnings Taxed for Social Security	Earnings Taxed for Medicare (began 1966)
1971-1980	$ 2,142	$ 2,142
1981-1990	87,102	87,102
1991-2000	246,069	246,069
2001	34,147	34,147
2002	34,846	34,846
2003	36,021	36,021
2004	38,032	38,032
2005	39,711	39,711
2006	41,829	41,829
2007	43,971	43,971
2008	45,170	45,170
2009	44,603	44,603
2010	45,666	45,847
2011	47,093	47,093
2012	48,560	48,560
2013	49,095	49,095
2014	50,605	50,605
2015	51,996	51,996
2016	52,108	52,108
2017	53,251	53,251
2018	53,966	53,966
2019	54,559	54,559
2020	54,489	54,489
2021	Not yet recorded	



Create an account at ssa.gov to obtain a statement and view more details!

Envision Retirement

- Where will your savings be spent?
- What new hobbies will you explore?
- How will you navigate your finances?
- How do you define a fulfilling retirement?



Envision Retirement Cont.

- Common goals for retirement
  - Plan a big trip
  - Pick up a new hobby or interest
  - Maintain physical and mental health
  - Find ways to give back
  - Buy your “forever” home

Envision Retirement Cont.

- Common retirement surprises
  - Time
  - Savings
  - Spending
  - Boredom

Why start early?

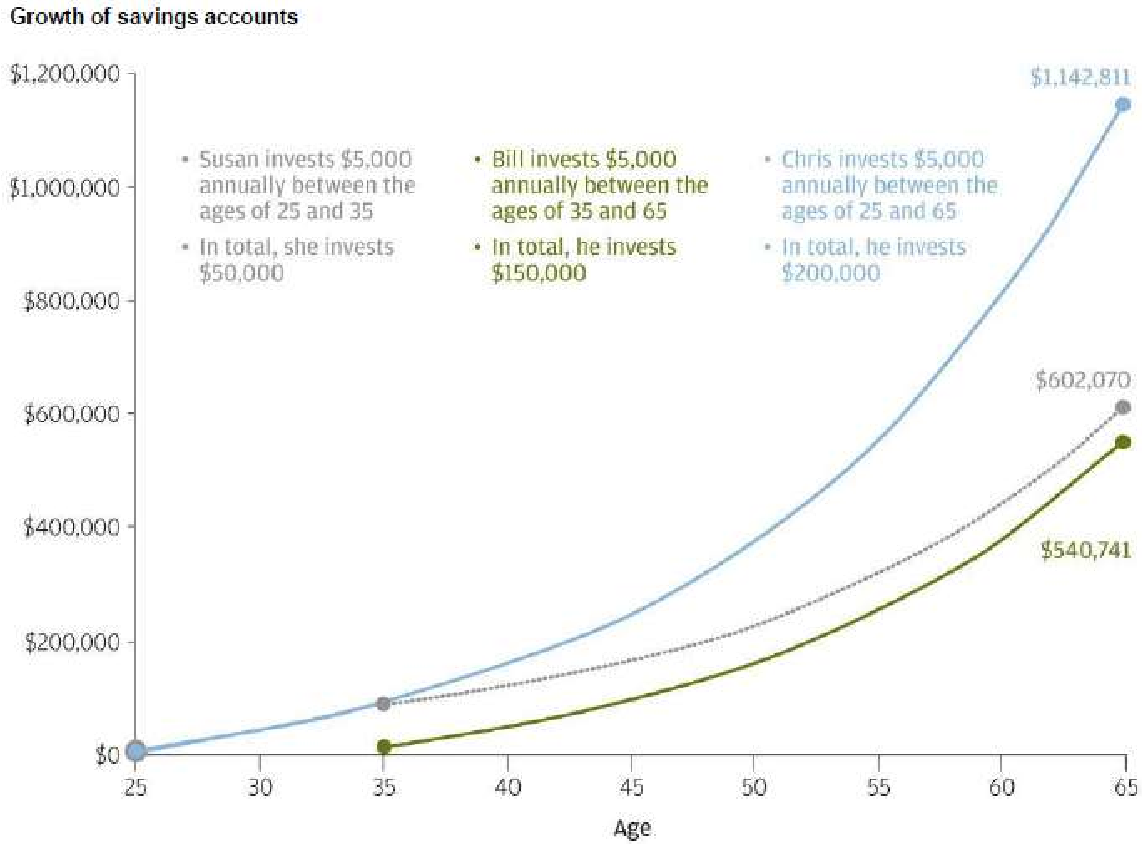
Compounding Growth

Age	Annual Contribution	Investment Return	Total Value at Retirement (Age 65)
20	$5,000.00	8.00%	$2,087,130.33
21	$5,000.00	8.00%	$1,927,528.09
22	$5,000.00	8.00%	$1,779,748.23
23	$5,000.00	8.00%	$1,642,915.03
24	$5,000.00	8.00%	$1,516,217.62
25	$5,000.00	8.00%	$1,398,905.20
26	$5,000.00	8.00%	$1,290,282.59
27	$5,000.00	8.00%	$1,189,706.11
28	$5,000.00	8.00%	$1,096,579.73
29	$5,000.00	8.00%	$1,010,351.60
30	$5,000.00	8.00%	$930,510.74
31	$5,000.00	8.00%	$856,584.02
32	$5,000.00	8.00%	$788,133.35
33	$5,000.00	8.00%	$724,753.10
34	$5,000.00	8.00%	$666,067.69
35	$5,000.00	8.00%	$611,729.34

Waiting just 5 years costs you $688,225.13...ouch!

Invest Now,
Invest Regularly

Compounding Growth Cont.



The above example is for illustrative purposes only and not indicative of any investment. Account value in this example assumes a 7% annual return.
Source: J.P. Morgan Asset Management.

Tax Efficiency

- Control pre-retirement taxes
- Control taxes in retirement
- Tax efficiency = keeping more of your money!

Preparing for the next phase

The “G” Phase

G

GET READY

2–9 years before retirement

Reach a solid financial position through a disciplined approach to managing changes in the years leading up to retirement.

- Prepare to reach your goals
- Continue saving
- Monitor your portfolio
- Look ahead

Upcoming Seminars

Women's Investment Roundtable – In-person Only

Tuesday, March 4, 2025

11:00 AM

The Basics of Starting a New Garden

Tuesday, March 25, 2025

11:00 AM

Thank You!

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