



PG CAPITAL

5 Steps Toward the Retirement You Want

From the financial advisors at
PG Capital Management Group



Success Matters

Focus on Retirement

5 steps to help you achieve your financial goals in retirement

For most working individuals, obtaining a successful and financially secure retirement is one of the most essential goals in life. After a lifetime of hard work and meticulous planning, their reward is to retire and live the life they have always desired.

Most people, however, are unsure of what financial actions to take in order to plan for a good retirement. Making complex financial decisions may be intimidating, leaving many people confused about where to begin.

Our retirement-planning manual includes a step-by-step approach for identifying and implementing important actions to help you live your best retirement life.



The Five Steps

Our guidebook includes recommendations on subjects such as [Goal Setting](#) and [Income Planning](#). It also includes practical advice on [Cash Flow Management](#), [Tax Considerations](#), and [Investment Management](#).

These 5 steps can assist you in identifying key challenges and variables under your management - and what you can do about them. Applying these methods may assist you in achieving your financial objectives towards enjoying the life you choose in retirement.

- 01 Determining what kind of life you would like to live during retirement
- 02 Estimating the financial resources required
- 03 Generating a retirement income
- 04 Optimizing your tax burden
- 05 Developing your investment portfolio allocations

01 Determining what kind of life you would like to live during retirement

There are several pathways to and through retirement. Many people save and invest with a specific retirement age in mind. Some people retire more than once, taking time away from work to travel, care for a loved one, or start a business. Others choose to work in their retirement.

Before you develop a financial plan or make investment choices, it is critical to recognize that your financial life is more than just about money.

We utilize unique methods to assist individuals in answering a critical question: "How do I want to spend my retirement?"

We use unique, research-based methods to get to the heart of your relationship with money, so you can discover how your biases impact your financial decision-making. These tools are intended to assist you in making better informed financial decisions.

Take our free quiz today!



Because your successful retirement is more than just about money. It is all about you and how you want to spend your retirement.

02 Estimating the financial resources required

Once you've determined your retirement life goal, you'll need to figure out how much money you'll need to fund your savings account. Everyone's circumstances are different, but a general rule of thumb is that you'll need 70-85% of your pre-retirement salary. To prevent outlasting your money, you should not remove more than 4-5% of your investment portfolio every year.

Creating a budget utilizing a thorough budget worksheet is required to determine how much you can spend each month. Most people will spend more money in retirement on things like health care, vacation, and hobbies. Other expenses, such as fuel or clothing, may be smaller in retirement.

In addition, certain costs may rise or fall quicker than others. While we can't predict what the inflation level will be in the future, we have typically seen an annual inflation rate of 3%¹ for most expenses and 5-7% for healthcare prices.



¹ "Historical Inflation Rate 1913 - 2020," [Inflationdata.com/inflation/inflation_Rate/Historicalinflation.aspx](https://inflationdata.com/inflation/inflation_Rate/Historicalinflation.aspx)

03

Generating a retirement income

Before retirement, you will need a strategy for converting your savings and the benefits you're qualified for into enough income to live the life you want to live. The following are common sources of retirement income:

- ✓ Social Security
- ✓ Pension: Annuity or lump sum payout
- ✓ Retirement accounts: 401(k), 403(b), IRA
- ✓ Investment income

You will want to add up all of your potential sources of income to get a sense of what your present retirement income may look like. We can assess whether or not you will have enough money to satisfy your total monthly demands once you have estimated your total monthly income.

We created a financial management meter to assess how well your existing retirement savings and resources line up with your spending and objectives. Your score will show whether your retirement is likely to be over-funded, under-funded, or ideally funded. Once we have calculated your initial score, our advisers can work with you to either maintain or move your score into the ideal zone.



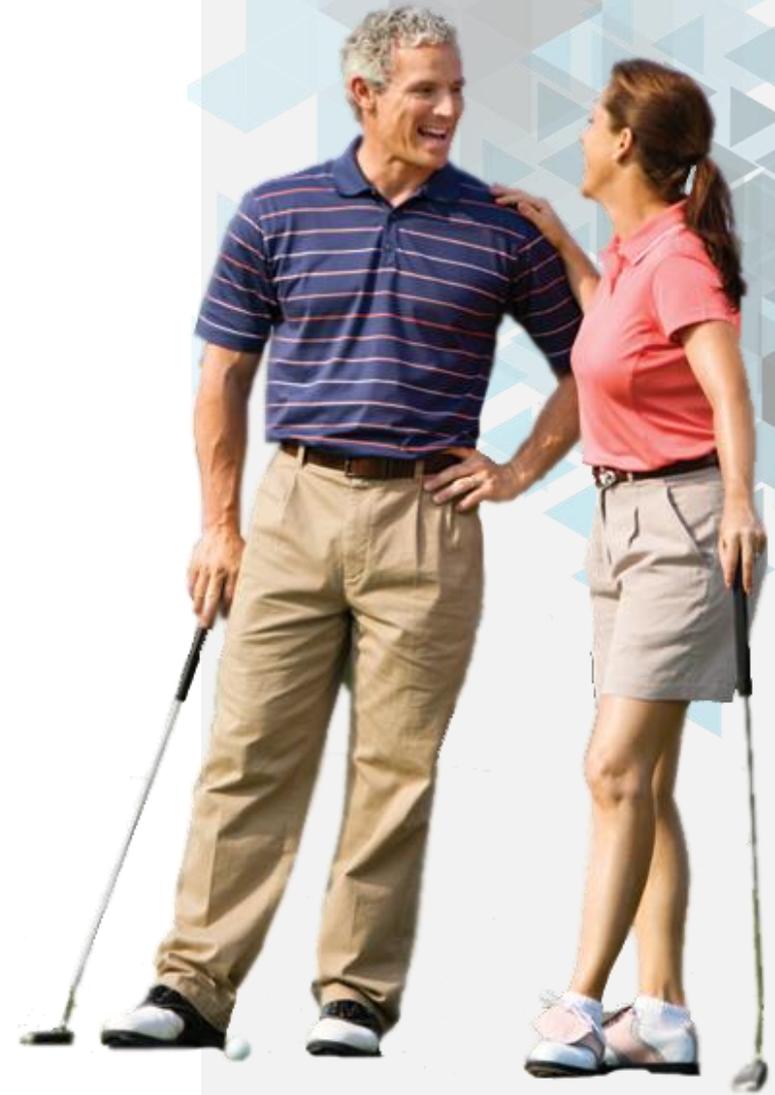
04 Optimizing your tax burden

Some retirement myths have become so common that they are mistaken for reality. For example, has anyone ever told you that when you retire, you would be in a lower federal income tax bracket?

The fact is that you might or might not be. Furthermore, federal income taxes aren't the only ones to think about. The regulations for distribution and the tax repercussions for tax-advantaged accounts differ as well. Consequently, tax preparation is just as critical after retirement as it is before. Your comprehensive tax strategy should address issues such as:

- ✓ What kinds of investments should go into taxable, tax-deferred, or tax-exempt accounts?
- ✓ Should you transfer funds from Traditional IRAs to Roth IRAs?
- ✓ Is a 401(k) rollover the right approach for appreciated financial assets in your 401(k)?
- ✓ How much money should you take out from various accounts during retirement?
- ✓ How much will you have to take out from certain accounts during retirement?

By partnering with a PG Capital Management Group advisor, we can demonstrate to you how to make use of all your retirement funds. We also advise our clients to consult with their tax expert and tax advisor.



05 Developing your investment portfolio allocations

Once you've determined your degree of retirement preparedness, you need to devise a suitable investment plan. Your investing strategy should take the least amount of risk possible given your time horizon, financial condition, market changes, and risk tolerance.

Construct a Personal Investment Portfolio

Investing in retirement assets can be difficult since there are several factors to consider. The following are the important characteristics to incorporate into your portfolio:

- ✓ Diversification
- ✓ Minimizing investment costs
- ✓ Utilization of tax-aware strategies
- ✓ Long-term market growth potential
- ✓ Emphasis on total return to generate income
- ✓ Mitigating market risk
- ✓ Timely rebalancing

Your investing strategy should take the least amount of risk possible given your time horizon, financial condition, market changes, and risk tolerance.

Summary

Personalizing your retirement

Planning ahead of time can help you live the retirement life of your dreams. At PG Capital, we work with a wide range of customers to help them achieve their retirement goals. Now we would want to assist you as well. We can work together to ensure you take all the required actions to build a plan to help you reach your retirement objectives.

To begin, request a complimentary consultation.
Call us at 1 (585) 483-9371 or visit pgcapitalmg.com

Our Checklist

01

Determining what kind of life you would like to live during retirement

- ✓ Find your MoneyView
- ✓ Have an honest conversation with a PG Capital personal financial advisor

02

Estimating the financial resources required

- ✓ Build your retirement budget

03

Generating a retirement income

- ✓ Review your financial assets with your advisor

04

Optimizing your tax burden

- ✓ With the help of our professional financial advisors, create a comprehensive financial strategy to handle the impact of taxes.

05

Developing your investment portfolio allocations

- ✓ Decide on an appropriate asset allocation strategy
- ✓ Execute your investment plan
- ✓ Evaluate and rebalance

Your Financial Success Matters

To get started call us at 1 (585) 483-9371 or visit pgcapitalmg.com



Success Matters

PG Capital Management Group, LLC is a registered investment adviser. PG Capital acts as a general partner, managing member, and/or investment manager to the U.S.-based private investment fund and as a wealth manager, investment/financial advisor, and financial planner for individual institutional and non-institutional clients that invest in a variety of securities.

PG Capital and its affiliates do not provide tax or legal advice. Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning, charitable giving, philanthropic planning, and other legal matters.

©2021 by PG Capital Management Group, LLC. All Rights Reserved.