

Why does my projected income slowly decrease after retirement? Shouldn't it increase with the cost of living adjustment (COLA)?

Your Social Security income does increase with the COLA. However, remember that in retirement, your non-Social Security income may be comprised entirely of investment earnings on your savings and retirement accounts. If your account balances are shrinking (upper chart), your income may very well decrease.

Why does my projected income dip after retirement only to jump back up a few years later?

The calculator assumes that all earned income stops at retirement, and only capital gains from savings and your retirement account remain. The jump a few years later is when you begin receiving Social Security benefits.

Why does my savings account decrease so quickly?

It is assumed that you will pay your expenses out of your savings prior to taking money out of your pre-tax retirement account. In general, keeping your retirement assets tax-protected for as long as possible increases your overall long-term savings.

How do I know what to enter for various inputs?

Many of the inputs have a helpful tips pop up when you hover over the [?].

What if I don't have a retirement plan, or am unhappy with the one I do have?

If you're self-employed or a business owner and want to accelerate your retirement savings, contact Independent Actuaries, Inc. today for a free consultation.