Annual Recaluation and Decision on Upcoming annual SSA

12/1/20

Spreadsheet to see if our SSA can increase by more than inflation. Do we have More-Than-Enough for our current SSA?

I enter the numbers in yellow cells and the spreadsheet calculates the rest.

Basis: $1 M starting Investment Portfolio (Total net of Reserve).

	Spending Year	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
	Year-end Date for Calculation	12/15/14	12/15/15	12/15/16	11/30/17	11/30/18	11/30/19	11/30/20	11/30/21
	Invest Portfolio before withdrawal	1,000,000	944,643	1,002,100	1,137,454	1,094,775	1,185,527	1,293,026	
	Memo:Real (infl adj) amt (rounded)	1,000,000	944,600	999,100	1,111,800	1,041,000	1,109,500	1,194,600	
	SSA Withdrawal	44,000	44,000	46,100	54,000	55,500	57,500	62,200	
	Memo: Inflation adj amt (rounded)	44,000	44,000	46,000	52,800	52,800	53,800	57,500	
	Invest Portfolio after withdrawal	956,000	900,643	956,000	1,083,454	1,039,275	1,128,027	1,230,826	
	End of Year Calculations								
	Inflation in Yr (SS % increase)	na	0.0%	0.3%	2.0%	2.8%	1.6%	1.3%	
	Memo: Cum Inflation factor	1.000	1.000	1.003	1.023	1.052	1.069	1.082	
A	Inflation Adjust Prior SSA (rounded)		44,000	44,100	47,000	55,500	56,400	58,200	
	Memo: Orig SSA adjusted for inflation		44,000	44,130	45,010	46,280	47,020	47,630	
	Our Return Pct for last 12 mos.		-1.19%	11.27%	18.98%	1.04%	14.07%	14.63%	
	Memo: Dollar Change in Year (rounded)		(11,400)	101,500	181,500	11,300	146,300	165,000	
	Current Portfolio prior to withdrawal		944,643	1,002,100	1,137,454	1,094,775	1,185,527	1,293,026	
	SSR% that we might be able to use	4.40%	~~4.50%~~	4.60%	4.75%	~~4.75%~~	4.85%	4.85%	5.05%
	Memo: Patti's age nearest calc date	67	68	69	70	71	72	73	74
	Life Expectancy Years (to end of yr)	19 (2033)	18 (2033)	17 (2033)	16 (2033)	16 (2034)	15 (2034)	15 (2035)	14 (2035)
B	Calculated potential new SSA (rounded)	na	42,500	46,100	54,000	52,000	57,500	62,700	
	Is B > A?		NO	YES	YES	NO	YES	YES	
	SSA for Upcoming Yr (enter A or B)	**44,000**	**44,000**	**46,100**	**54,000**	**55,500**	**57,500**	**62,700**	
	SSA nominal % change from start		0%	5%	23%	26%	31%	43%	
	SSA in constant spending power		44,000	46,000	52,800	52,800	53,800	57,900	
	Real % change from initial SSA		0%	5%	20%	20%	22%	32%	
	Calculation date		12/15/15	12/15/16	11/30/17	11/30/18	11/30/19	11/30/20	
	Invest Portfolio needed for same real spending as prior year		977,778	958,696	989,474	1,168,421	1,162,887	1,200,000	
	More-Than-Enough for the same real spending as prior year (rounded)		(33,135)	43,400	148,000	(73,600)	22,600	93,000	
	More-Than-Enough rel. to initial $44k		(33,135)	43,400	189,875	120,459	216,042	310,964	
	Our total SSA using our Multiplier								
	Return Rate Calculation (date)		12/15/15	12/15/16	11/30/17	11/30/18	11/30/19	11/30/20	
	Stocks 12 mo. return (our weights FSKAX, VXUS)		-1.53%	12.72%	21.52%	1.40%	14.71%	15.99%	
	Bonds 12 mo. return (our weights IUSB, BNDX)		0.75%	3.02%	4.59%	-0.99%	10.49%	6.89%	
	Total return using our mix of S and B		-1.19%	11.27%	18.98%	1.04%	14.07%	14.63%	
	Memo: Real return		-1.19%	10.93%	16.65%	-1.71%	12.28%	13.16%	
	Average annual real return rate							10.3%	
	Expected real rate on our portfolio							6.5%	