

# Annual Recalulation 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	1,109,300	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						1,230,826	
<b>End of Year Calculations</b>								
Inflation in Yr (SS % increase)							1.3%	
Memo: Cum Inflation factor	1.0						1.082	
<b>A Inflation Adjust Prior SSA (rounded)</b>							58,200	
Memo: Orig SSA adjusted for inflation							47,630	
Our Return Pct for last 12 mos.							14.63%	
Memo: Dollar Change in Year (rounded)							165,000	
Current Portfolio prior to withdrawal							1,293,026	
SSR% that we might be able to use	4.4						4.85%	5.05%
Memo: Patti's age nearest calc date							73	74
Life Expectancy Years (to end of yr)	19 (2035)						15 (2035)	14 (2035)
<b>B Calculated potential new SSA (rounded)</b>	na	42,500	46,100	54,000	52,000	57,500	62,700	
<b>Is B &gt; A?</b>		NO	YES	YES	NO	YES	YES	
<b>SSA for Upcoming Yr (enter A or B)</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								
<b>Return Rate Calculation (date)</b>	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%		
<b>Total return using our mix of S and B</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%		

Withdrew \$44,000 in Dec 2014 for our spending in 2015. This is relative to an assumed \$1 million initial Investment Portfolio.

Had 19% more in the same spending power – \$1,194,000 inflation-adjusted – relative to our start in Dec 2014.

If we now withdrew the initial \$44,000 for our spending, that would be an SSR% of 3.7%. (\$44,000/\$1,195,600)

SSR% of 3.7% is more than 30 years to first chance of depletion. See Graph 2-4 and Appendix D, Nest Egg Care.