

Annual Recalulation and Decision on Upcoming annual SSA

12/1/21

**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 Portfolio

Spending Year	2015	2016	2017	2018	2019	2020	2021	2022
Year-end Date for Calculation	<u>12/15/14</u>	<u>12/15/15</u>	<u>12/15/16</u>	<u>11/30/17</u>	<u>11/30/18</u>	<u>11/30/19</u>	<u>11/30/20</u>	<u>11/30/21</u>
Portfolio before withdrawal	1,000,000	944,643	1,002,100	1,137,454	1,094,775	1,185,527	1,293,026	1,458,047
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	1,272,000
SSA Withdrawal	44,000	44,000	46,100	54,000	55,500	57,500	62,700	73,600
Memo: Inflation adj amt (rounded)	44,000	44,000	46,000	52,800	52,800	53,800	57,900	64,200
Invest Portfolio after withdrawal	956,000	900,643	956,000	1,083,454	1,039,275	1,128,027	1,230,326	1,384,447
<b>End of Year Calculations</b>								
Inflation in Yr (SS % increase)	na	0.0%	0.3%	2.0%	2.8%	1.6%	1.3%	5.9%
Memo: Cum Inflation factor	1.000	1.000	1.003	1.023	1.052	1.069	1.082	1.146
<b>A Inflation Adjust Prior SSA</b> (rounded)		44,000	44,100	47,000	55,500	56,400	58,200	66,400
Memo: Orig SSA adjusted for inflation		44,000	44,130	45,010	46,280	47,020	47,630	50,440
Our Return Pct for last 12 mos.		-1.19%	11.27%	18.98%	1.04%	14.07%	14.63%	18.51%
Memo: Dollar Change in Year (rounded)		(11,400)	101,500	181,500	11,300	146,300	165,000	227,700
Current Portfolio prior to withdrawal		944,643	1,002,100	1,137,454	1,094,775	1,185,527	1,293,026	1,458,047
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>B Calculated potential new SSA</b> (rounded)	na	42,500	46,100	54,000	52,000	57,500	62,700	73,600
<b>Is B &gt; A?</b>		NO	YES	YES	NO	YES	YES	YES
<b>SSA for Upcoming Yr</b> (enter A or B)	44,000	44,000	46,100	54,000	55,500	57,500	62,700	73,600
SSA nominal % change from start		0%	5%	23%	26%	31%	43%	67%
SSA in constant spending power		44,000	46,000	52,800	52,800	53,800	57,900	64,200
Real % change from initial SSA		0%	5%	20%	20%	22%	32%	46%
Calculation date		<u>12/15/15</u>	<u>12/15/16</u>	<u>11/30/17</u>	<u>11/30/18</u>	<u>11/30/19</u>	<u>11/30/20</u>	<u>11/30/21</u>
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	1,314,851
More-Than-Enough for the same real spending as prior year (rounded)		(33,135)	43,400	148,000	(73,600)	22,600	93,000	143,200
More-Than-Enough rel. to initial \$44k		(33,135)	43,400	189,875	120,459	216,042	310,964	459,235
Our total SSA using our Multiplier								
<b>Return Rate Calculation</b> (date)		<u>12/15/15</u>	<u>12/15/16</u>	<u>11/30/17</u>	<u>11/30/18</u>	<u>11/30/19</u>	<u>11/30/20</u>	<u>11/30/21</u>
Stocks 12 mo. return (our weights FSKAX, VXUS)		-1.53%	12.72%	21.52%	1.40%	14.71%	15.99%	21.94%
Bonds 12 mo. return (our weights IUSB, BNDX)		0.75%	3.02%	4.59%	-0.99%	10.49%	6.89%	-0.93%
<b>Total return using our mix of S and B</b>		-1.19%	11.27%	18.98%	1.04%	14.07%	14.63%	18.51%
Memo: Real return		-1.19%	10.93%	16.65%	-1.71%	12.28%	13.16%	11.91%
Average annual real return rate								8.6%
Expected real rate on our portfolio is 6.4%: assumes 7.1% for stocks and 2.6% for bonds								

5.30%  
75  
13 (2035)