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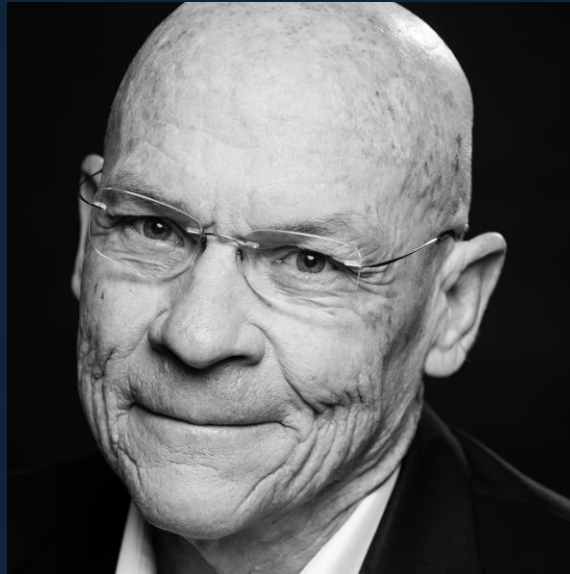
5

FINANCIAL MISTAKES
MADE IN RETIREMENT &
HOW TO AVOID THEM





PRESENTER



PAUL HUGHES, ChFEBC, CEPA
Managing Partner & Financial Advisor

ABOUT HUGHES FINANCIAL SERVICES



RIA

Independent
Registered
Investment
Advisor



Comprehensive
financial planning
and wealth
management



Fiduciary



Professional
certifications
and continuing
education



Over 80 years
combined
experience







OOPS!

5 FINANCIAL MISTAKES MADE IN RETIREMENT

The Four Faces of Retirees

WORRIED STRUGGLERS



LIVE FOR TODAY



CAUTIOUSLY CONTENTS

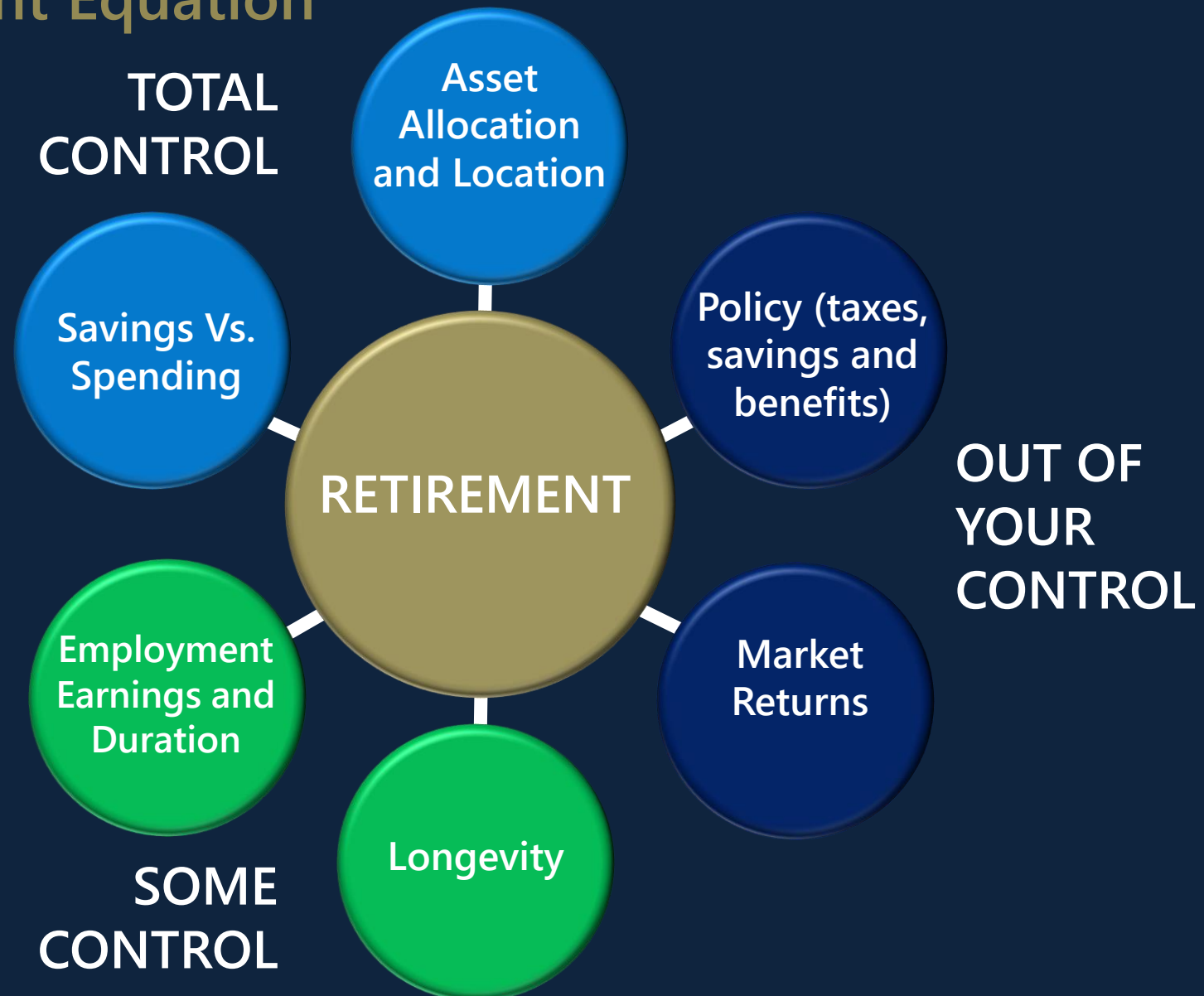


AGELESS EXPLORERS



5 FINANCIAL MISTAKES MADE IN RETIREMENT

The Retirement Equation



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#5: Underestimating your Retirement Income Needs



TAXES



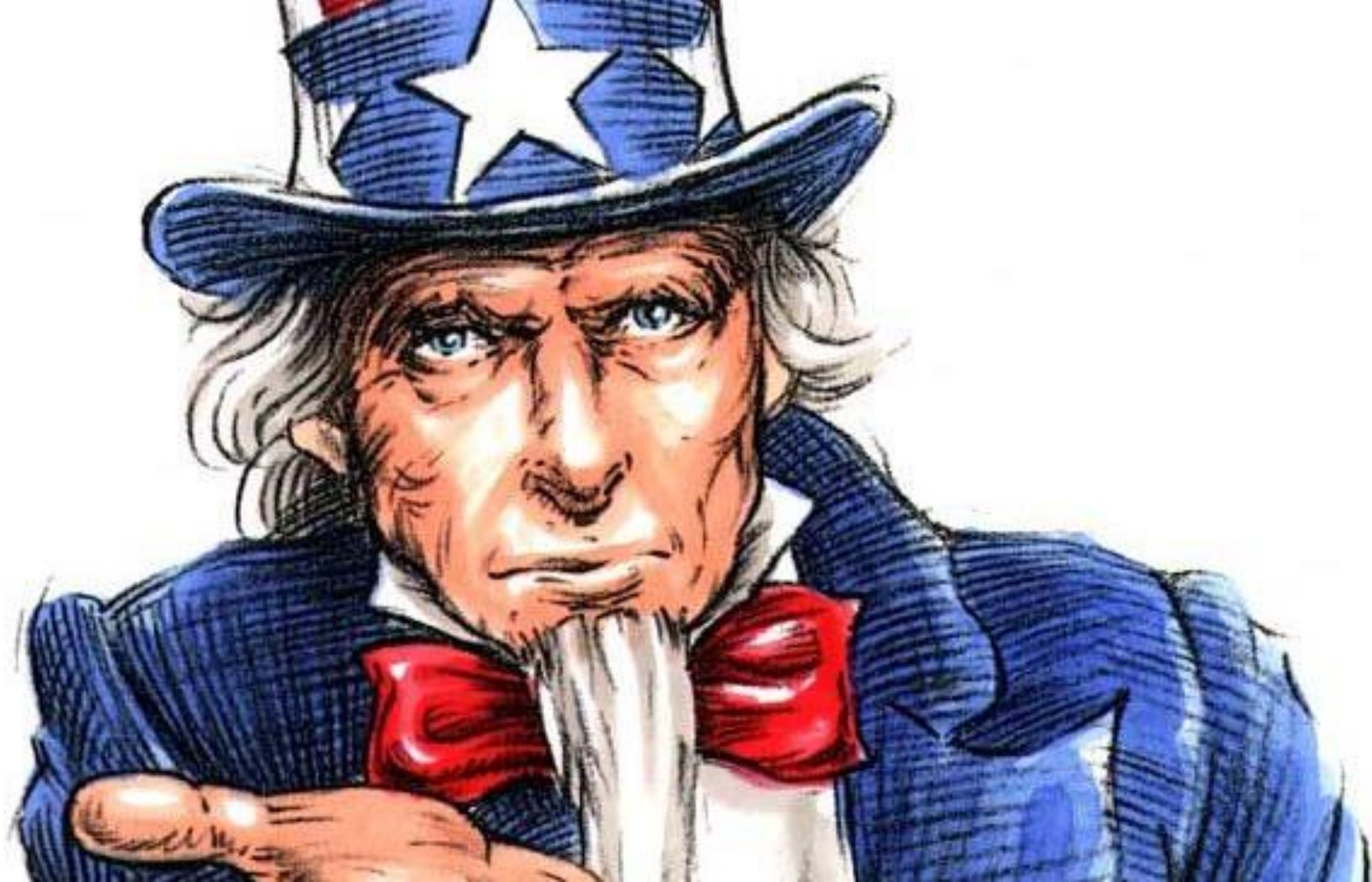
INFLATION



UNEXPECTED EVENTS



LONGEVITY



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

Taxes



Married Individuals Filing Joint Returns and Surviving Spouses

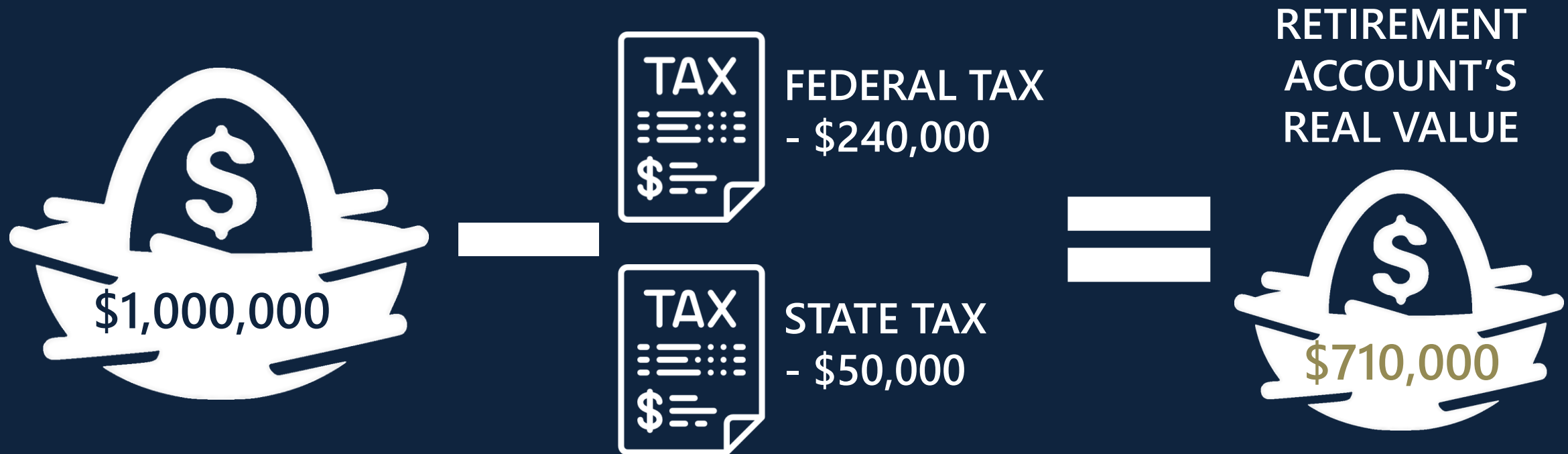
If Taxable Income Is Between:	The Tax Due Is:
0 - \$19,750	10% of taxable income
\$19,751 - \$80,250	\$1,975 + 12% of the amount over \$19,750
\$80,251 - \$171,050	\$9,235 + 22% of the amount over \$80,250
\$171,051 - \$326,600	\$29,211 + 24% of the amount over \$171,050
\$326,601 - \$414,700	\$66,543 + 32% of the amount over \$326,600
\$414,701 - \$622,050	\$94,735 + 35% of the amount over \$414,700
\$622,051	\$167,307.50 + 37% of the amount over \$622,050

Individual Taxpayers

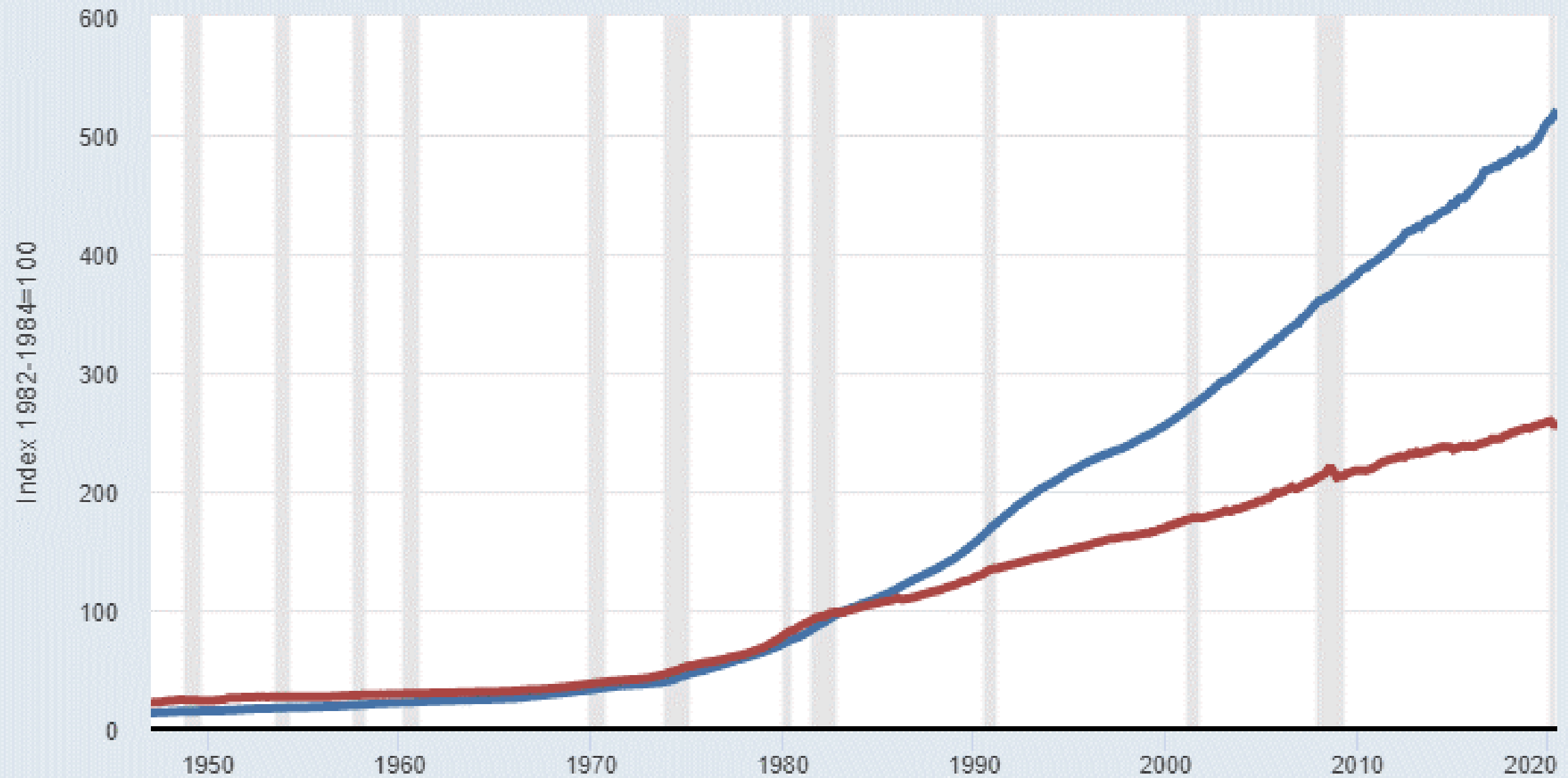
If Taxable Income Is Between:	The Tax Due Is:
0 - \$9,875	10% of taxable income
\$9,876 - \$40,125	\$987.50 + 12% of the amount over \$9,875
\$40,126 - \$85,525	\$4,617.50 + 22% of the amount over \$40,125
\$85,526 - \$163,300	\$14,605.50 + 24% of the amount over \$85,525
\$163,301 - \$207,350	\$33,271.50 + 32% of the amount over \$163,300
\$207,351 - \$518,400	\$47,367.50 + 35% of the amount over \$207,350
\$518,400	\$156,235 + 37% of the amount over \$518,400

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

Taxes



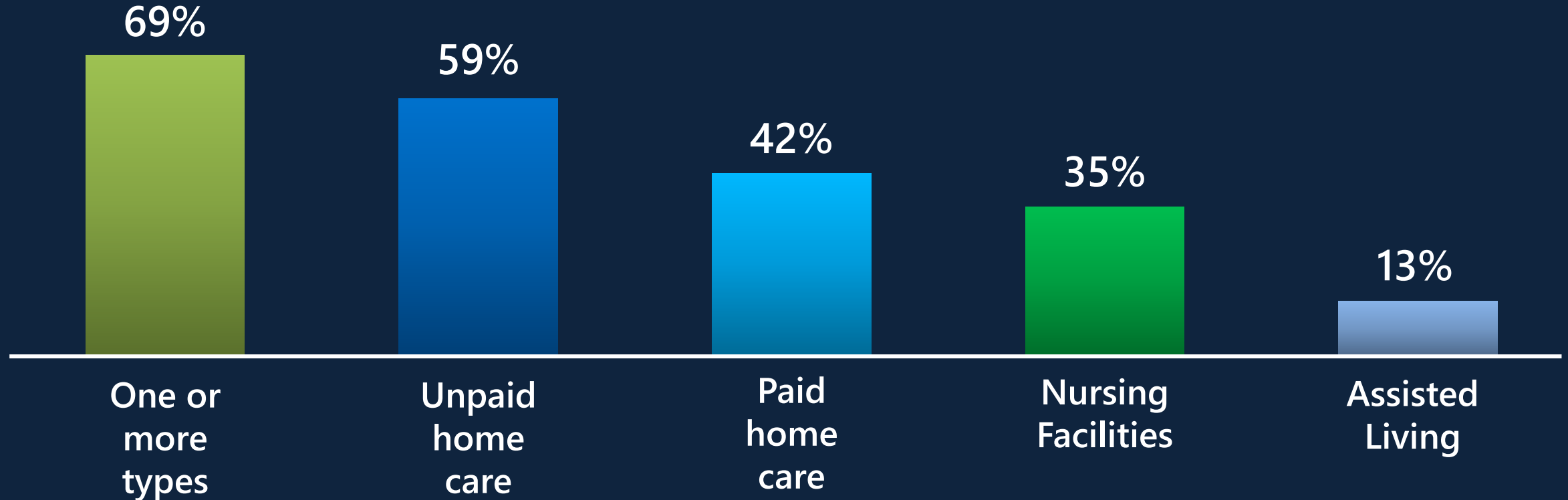
— Consumer Price Index for All Urban Consumers: Medical Care in U.S. City Average
— Consumer Price Index for All Urban Consumers: All Items in U.S. City Average



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

Unexpected Events

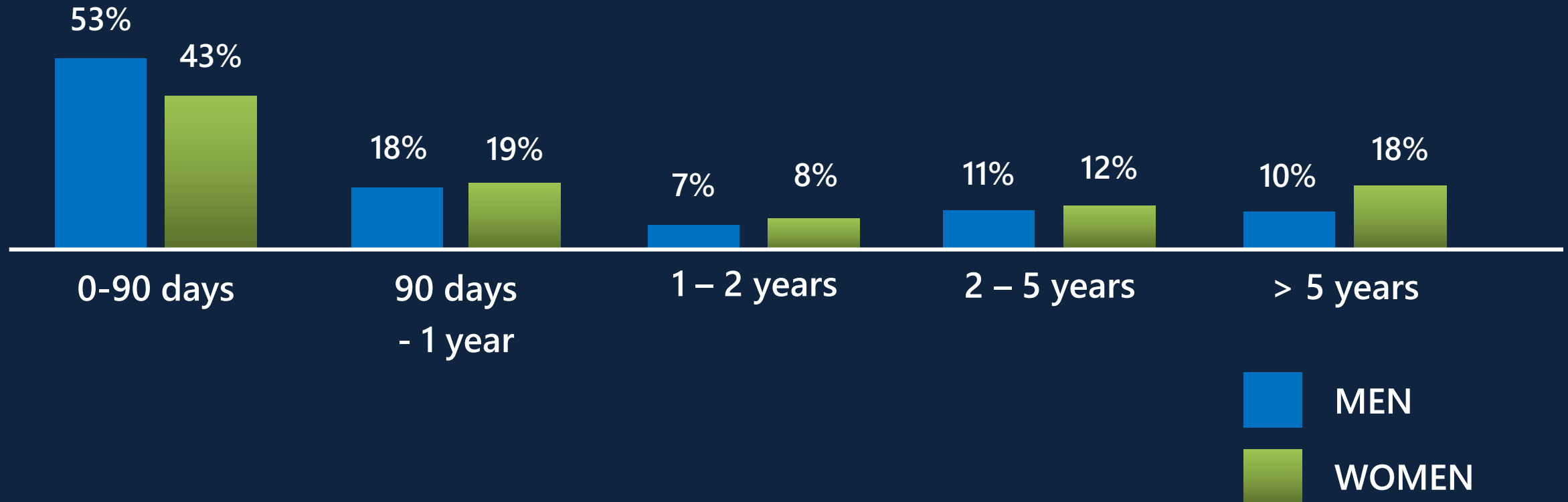
Lifetime probability of needing long-term care (LTC) services by type



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

Unexpected Events

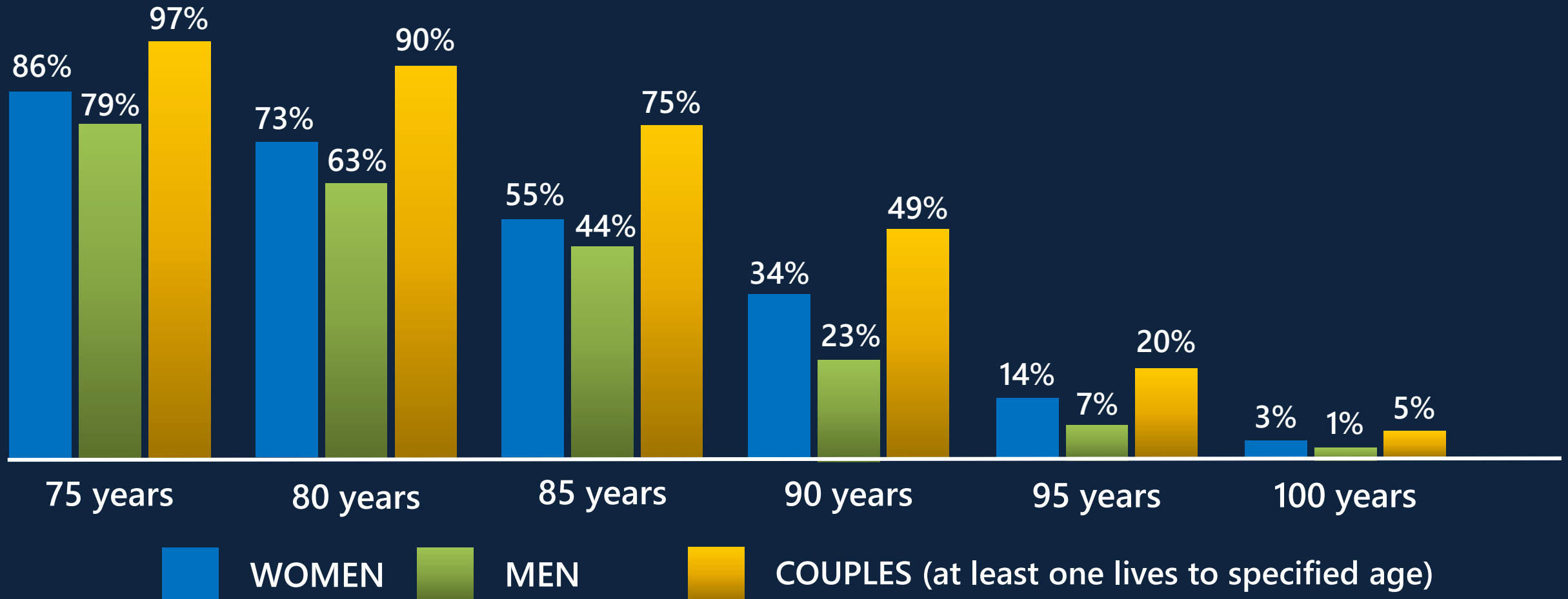
Lifetime distribution and duration of need for significant LTC at age 65



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

Life Expectancy Probabilities

If you're 65 today, the probability of living to a specific age or beyond



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#4: Ignoring Tax Planning



TAX EFFICIENT
INVESTMENT
MANAGEMENT
& DISTRIBUTIONS



ROTH
CONVERSIONS



GIVING
STRATEGIES



PROJECTING
TAX
LIABILITIES

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#4: Ignoring Tax Planning



TAX EFFICIENT
INVESTMENT
MANAGEMENT &
DISTRIBUTIONS

- Tax Gain/Loss Harvesting Annually
- Using Tax-Free or Tax-Advantaged Income Investment
- Tax Managed Investing
- Tax Distribution Planning from all Available Sources

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#4: Ignoring Tax Planning



ROTH CONVERSIONS

- Use Roth Conversions:
 - Currently at low tax toll compared to future
 - When you have a cash source to pay the taxes
- Normally Subject to RMD:
 - In 2020: No Required Minimum Distribution

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#4: Ignoring Tax Planning



GIVING STRATEGIES

- Bunch Donations into Donor Advised Fund (DAF)
- Donate Appreciated Taxable Investments Rather Than Cash
- Age 70½? Consider Qualified Charitable Donations from your IRA

Note: The Cares Act allows those who use Standard Deduction to take a deduction of up to \$300 for gifts made to charity

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#4: Ignoring Tax Planning



- Annually Plan to Match Tax Liability to your Tax Withholdings and Estimated Payments
- Use Projections for Planning

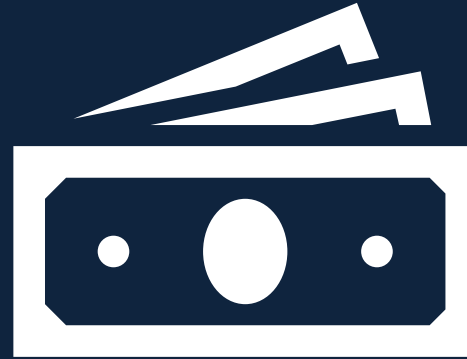
PROJECTING
TAX
LIABILITIES

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#3: Not Looking to Diversify Your Investments



SECURITY
CONCENTRATION
RISK



TOO MUCH CASH

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#3: Not Looking to Diversify Your Investments

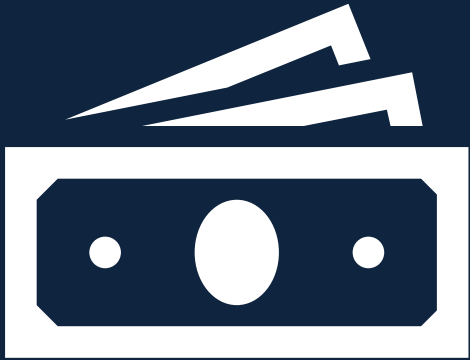


SECURITY
CONCENTRATION
RISK

- Investment Holdings in One Security
 - High Risk
 - Make a Small Fortune out of a Large Fortune

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

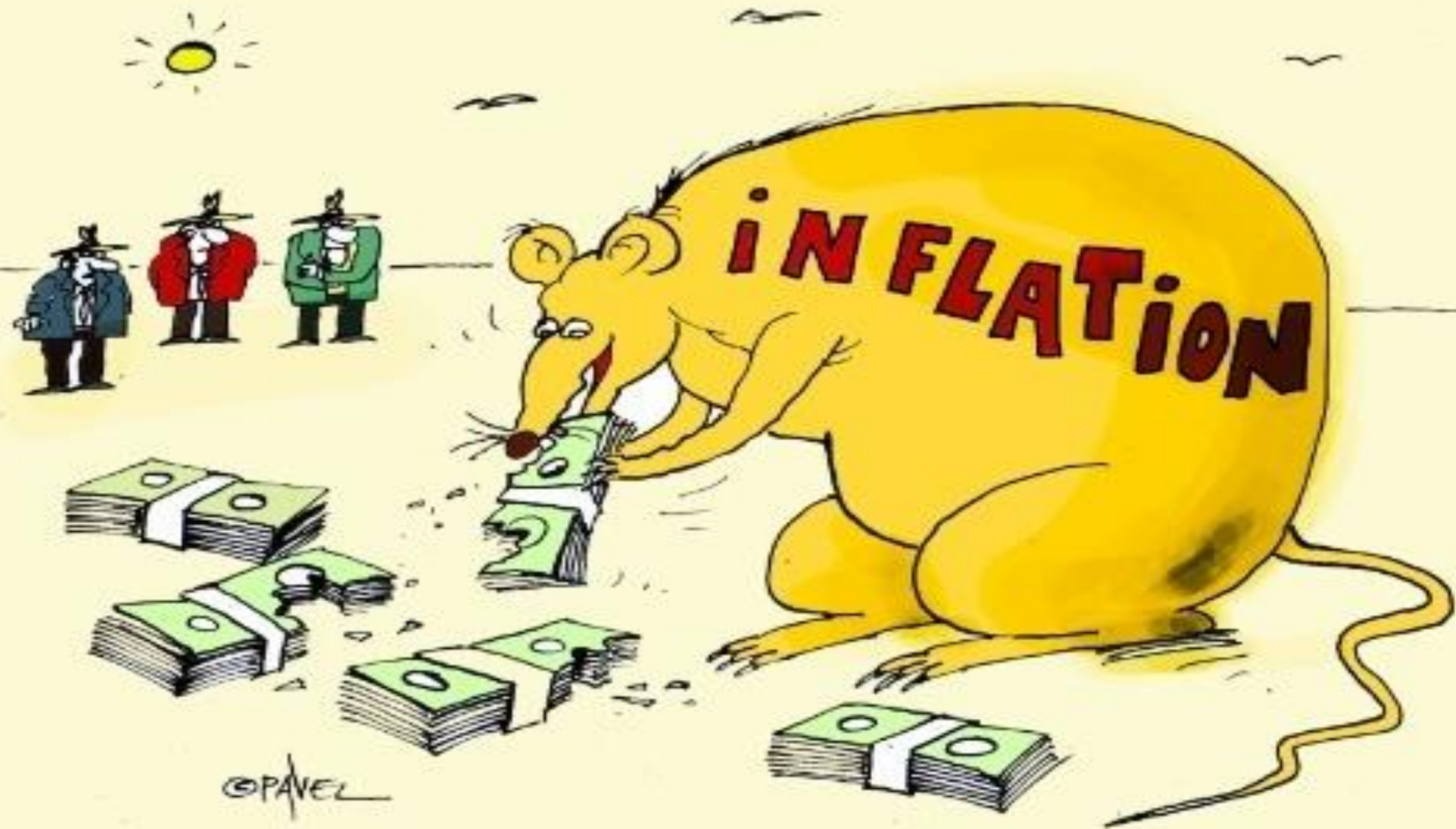
#3: Not Looking to Diversify Your Investments



TOO MUCH CASH

Safe?

Inflation = Assured Loss



FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#2: No Plan in Place to Protect Your Finances



Will or Family Revocable Trust

Powers of Attorney: Financial and Medical

Living Will

Digital Assets Diary

ESTATE PLAN

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#2: No Plan in Place to Protect Your Finances

Long-Term Care

Liability Insurance

Supporting Adult Children/Grandchildren



ANTICIPATED
RISKS

FIVE FINANCIAL MISTAKES MADE IN RETIREMENT

#1: Not Planning for YOU in the Next Chapter(s)



Life Satisfaction Goals



PURPOSE,
MEANING,
DIRECTION,
SATISFACTION



FAMILY, PERSONAL,
COMMUNITY

My years in golf have taught me a
fundamental truth.

Life is enriched by passionate pursuits.

In my mind, the best passions are those
that last a lifetime."

| GARY PLAYER, SOUTH AFRICAN PROFESSIONAL GOLFER



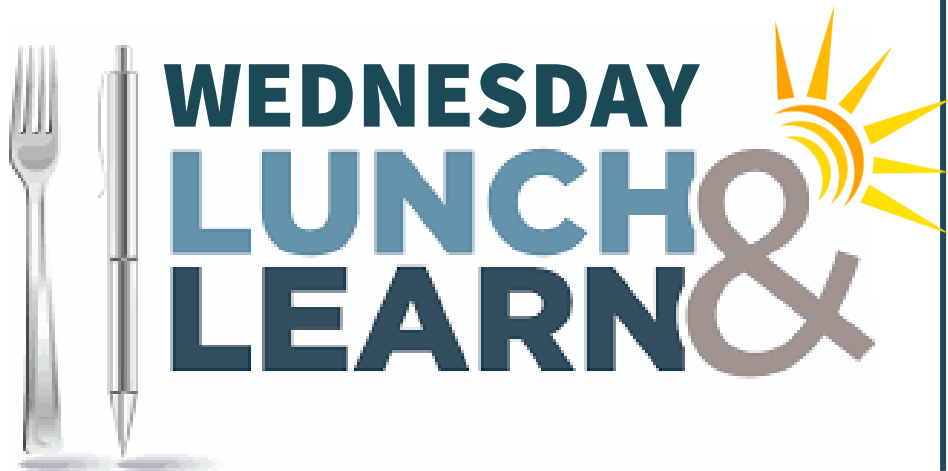


5 STAR TIP

Use a Financial Advisor before
making financial decisions

Hughes Financial Services' 20-minute virtual educational Lunch & Learn webinar sessions **ARE BACK!**

Grab your device and lunch and join us **each Wednesday at Noon** to juice up your financial planning knowledge on a variety of topics!



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- Halftime Report: An Economic & Market Update



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We offer our clients an impressive wealth of expertise in retirement and estate planning, investment and risk management, insurance, and education planning. Our advisers hold a variety of professional designations and certifications and are well versed in a number of financial disciplines. Our combined education and experience allows us to proudly offer you independent financial advice that you can trust.q1

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SOURCES: JP Morgan Market Insights; U.S. Bureau of Labor Statistics; www.irs.gov; Ken Dychtwald Agewave

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