

AGILE “G” Phase of Retirement

June 11, 2025

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Today's Agenda

- What is AGILE?
- “G” Phase Critical Issues
- Why should you start early?
- Preparing for the next phase



What is AGILE?



AGILE

Retirement Approach

A

ASSESS YOUR GOALS

10 years before retirement

Develop a comprehensive plan to help ensure you will reach financial independence tax efficiently.

G

GET READY

2-9 years before retirement

Reach a solid financial position through a disciplined approach to managing changes in the years leading up to retirement.

I

IMPLEMENT THE PLAN

1 year before retirement -
1 year into retirement

Transition to financial independence and fine-tune your plan to prepare for post-retirement taxes and healthcare.

L

LIVE THE DREAM

In retirement

Stay focused on decisions related to taxes, Social Security, and investments to help ensure your savings last.

E

EMBRACE FAMILY & LEGACY

Beyond retirement

Take an active role in teaching the next generation how to handle wealth and the responsibility that comes with it.



“G” Phase Critical Issues



The “G” Phase Critical Issues



GET READY

2–9 years before retirement

Reach a solid financial position through a disciplined approach to managing changes in the years leading up to retirement.



Design and monitor your portfolio



Take control of your taxes



Save efficiently



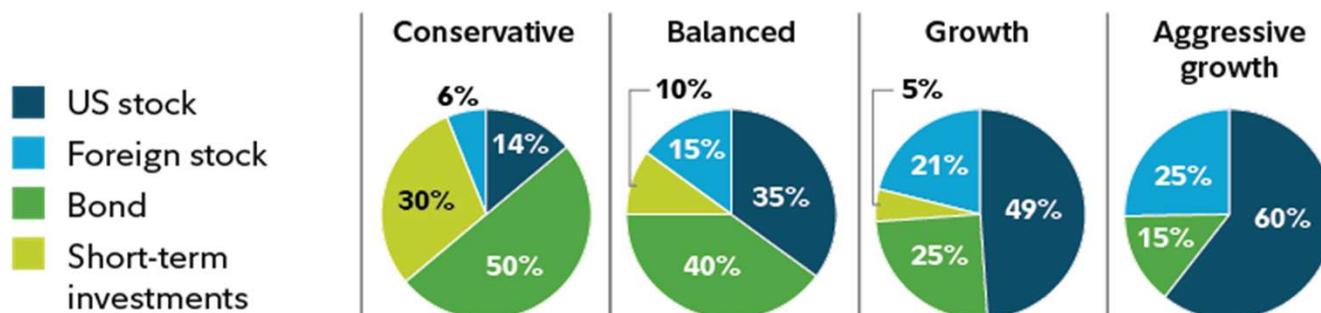
Evaluate insurance coverage



Envision retirement



Asset Allocation



	ANNUAL RETURN %			
Average annual return	5.78%	7.80%	8.84%	9.56%
Worst 12-month return	-17.67%	-40.64%	-52.92%	-60.78%
Best 12-month return	31.06%	76.57%	109.55%	136.07%
Worst 20-year return (annualized)	2.92%	3.43%	3.10%	2.66%
Best 20-year return (annualized)	10.98%	13.84%	15.34%	16.49%
Historical volatility	4.57%	9.60%	13.07%	15.73%

<https://www.fidelity.com/viewpoints/investing-ideas/guide-to-diversification>



Diversification

Return
(2010 -
2024)

Risk
(2010 -
2024)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Return (2010 - 2024)	Risk (2010 - 2024)
Real Estate 28.07%	Real Estate 9.37%	Intl Emerging 18.63%	U.S. Small Cap 41.31%	Real Estate 32.00%	Real Estate 4.48%	U.S. Small Cap 26.56%	Intl Emerging 37.75%	Cash Alt. 1.82%	U.S. Large Cap Blend 31.49%	Intl Emerging 18.69%	Real Estate 45.91%	Comdty. 16.09%	U.S. Large Cap Blend 26.29%	U.S. Large Cap Blend 25.02%	U.S. Large Cap Blend 13.88%	U.S. Small Cap 19.89%
U.S. Mid Cap 26.64%	U.S. Core Bond 7.84%	Intl Devlpd. 17.90%	U.S. Mid Cap 33.50%	U.S. Large Cap Blend 13.69%	U.S. Large Cap Blend 1.38%	U.S. Mid Cap 20.74%	Intl Devlpd. 25.62%	U.S. Core Bond 0.01%	U.S. Mid Cap 26.20%	U.S. Large Cap Blend 18.40%	U.S. Large Cap Blend 28.71%	Cash Alt. 1.52%	Intl Devlpd. 18.85%	U.S. Mid Cap 13.93%	U.S. Mid Cap 11.92%	Real Estate 18.99%
U.S. Small Cap 26.31%	U.S. Large Cap Blend 2.11%	U.S. Mid Cap 17.88%	U.S. Large Cap Blend 32.39%	U.S. Mid Cap 9.77%	U.S. Core Bond 0.55%	U.S. Large Cap Blend 11.96%	U.S. Large Cap Blend 21.63%	Real Estate -4.22%	Real Estate 23.10%	Diversified Portfolio 13.63%	Comdty. 27.11%	U.S. Core Bond -13.01%	U.S. Mid Cap 16.44%	Diversified Portfolio 11.07%	U.S. Small Cap 11.66%	U.S. Mid Cap 18.06%
Intl Emerging 19.20%	U.S. Small Cap 1.02%	Real Estate 17.12%	Intl Devlpd. 23.29%	U.S. Core Bond 5.97%	Cash Alt. -0.39%	Comdty. 11.77%	U.S. Mid Cap 16.24%	U.S. Large Cap Blend -4.38%	U.S. Small Cap 22.78%	U.S. Mid Cap 13.66%	U.S. Small Cap 26.82%	U.S. Mid Cap -13.06%	U.S. Small Cap 16.05%	U.S. Small Cap 8.70%	Real Estate 8.78%	Intl Emerging 17.86%
Comdty. 16.83%	Cash Alt. 0.07%	U.S. Small Cap 16.33%	Diversified Portfolio 12.68%	U.S. Small Cap 5.76%	Intl Devlpd. -0.39%	Intl Emerging 11.60%	Diversified Portfolio 15.77%	Diversified Portfolio -5.22%	Intl Devlpd. 22.66%	U.S. Small Cap 11.29%	U.S. Mid Cap 24.76%	Intl Devlpd. -14.01%	Diversified Portfolio 15.71%	Real Estate 8.10%	Diversified Portfolio 7.01%	Intl Devlpd. 15.82%
U.S. Large Cap Blend 15.06%	Diversified Portfolio -0.83%	U.S. Large Cap Blend 16.00%	Real Estate 1.22%	Diversified Portfolio 5.29%	Diversified Portfolio -0.66%	Real Estate 6.68%	U.S. Small Cap 13.23%	U.S. Small Cap -8.48%	Diversified Portfolio 19.81%	Intl Devlpd. 8.28%	Intl Devlpd. 11.78%	Diversified Portfolio -15.78%	Real Estate 13.96%	Intl Emerging 8.05%	Intl Devlpd. 5.74%	U.S. Large Cap Blend 14.63%
Diversified Portfolio 11.09%	U.S. Mid Cap -1.73%	Diversified Portfolio 11.87%	Cash Alt. 0.05%	Cash Alt. 0.02%	U.S. Small Cap -1.97%	Diversified Portfolio 6.28%	Real Estate 3.76%	U.S. Mid Cap -11.08%	Intl Emerging 18.88%	U.S. Core Bond 7.51%	Diversified Portfolio 10.48%	U.S. Small Cap -16.10%	Intl Emerging 10.27%	Comdty. 5.38%	Intl Emerging 3.39%	Comdty. 14.42%
Intl Devlpd. 8.21%	Intl Devlpd. -11.73%	U.S. Core Bond 4.21%	U.S. Core Bond -2.02%	Intl Emerging -1.82%	U.S. Mid Cap -2.18%	U.S. Core Bond 2.65%	U.S. Core Bond 3.54%	Comdty. -11.25%	U.S. Core Bond 8.72%	Cash Alt. 0.54%	Cash Alt. 0.04%	U.S. Large Cap Blend -18.11%	U.S. Core Bond 5.53%	Cash Alt. 5.32%	U.S. Core Bond 2.37%	Diversified Portfolio 9.36%
U.S. Core Bond 6.54%	Comdty. -13.32%	Cash Alt. 0.08%	Intl Emerging -2.27%	Intl Devlpd. -4.48%	Intl Emerging -14.60%	Intl Devlpd. 1.51%	Comdty. 1.71%	Intl Devlpd. -13.36%	Comdty. 7.69%	Comdty. -3.12%	U.S. Core Bond -1.54%	Intl Emerging -19.74%	Cash Alt. 5.14%	Intl Devlpd. 4.35%	Cash Alt. 1.19%	U.S. Core Bond 4.43%
Cash Alt. 0.13%	Intl Emerging -18.17%	Comdty. -1.06%	Comdty. -9.52%	Comdty. -17.01%	Comdty. -24.66%	Cash Alt. 0.26%	Cash Alt. 0.82%	Intl Emerging -14.24%	Cash Alt. 2.21%	Real Estate -11.20%	Intl Emerging -2.22%	Real Estate -25.96%	Comdty. -7.91%	U.S. Core Bond 1.25%	Comdty. -1.04%	Cash Alt. 0.52%

Data Source: YCharts. Total Returns are used for each index/model

* Return represents the average annual return during the period shown.

** Risk is represented by Standard Deviation, which is the measure of the total volatility in a portfolio. It shows how widely a portfolio's returns have varied around the average over a period of time. Standard deviations on this chart were calculated using monthly returns

<https://www.boyd-wealth.com/blog/2025-economic-outlook-recap-and-quit>



New Three-Legged Stool: Tax Diversification

LEG ONE

Taxable Accounts

Non-retirement investment accounts. Earnings in these accounts are generally taxable each year.

LEG TWO

Tax-Deferred Accounts

IRAs, 401(k)s, 403(b)s and most retirement accounts. Earnings in these accounts are generally deferred until later.

LEG THREE

Tax-Free Accounts

Roth IRAs and Roth 401(k)s. Earnings in these accounts are generally tax-free when withdrawn.



Asset Location for Tax Efficiency

	Account type		
	Taxable	Tax-deferred	Tax-exempt
Municipal bond funds	✓ ✓ ✓	✓	✓
Stock funds held for long-term growth	✓ ✓ ✓	✓ ✓	✓ ✓
Stock ETFs	✓ ✓ ✓	✓ ✓	✓ ✓
Separately managed accounts	✓ ✓ ✓	Not available	Not available
High-turnover mutual funds	✓	✓ ✓ ✓	✓ ✓ ✓
Corporate bond funds	✓	✓ ✓ ✓	✓ ✓
Investments used for cyclical exposure	✓	✓ ✓ ✓	✓ ✓ ✓

More appropriate
 Appropriate
 Less appropriate

<https://www.fidelity.com/learning-center/wealth-management-insights/asset-location-minimize-taxes>



Smart Savings

Tax Advantaged Account	Tax Benefit	2025 Contribution Limit	Catch-up Contribution
<u>Traditional</u> 401k, 403b, 457	Deduction, Growth	\$23,500	\$7,500*
<u>Roth</u> 401k, 403b, 457	Growth, Withdrawal	\$23,500	\$7,500*
Traditional IRA	Deduction, Growth	\$7,000	\$1,000
Roth IRA	Growth, Withdrawal	\$7,000	\$1,000
HSA	Deduction, Growth, Withdrawal	\$8,550 (Family)	\$1,000**

- *For ages 50 and up, additional catch-up amounts available for those ages 60-63
 - ** HSA catch-up contributions not allowed until age 55



Evaluate Insurance Coverage

Life Insurance >

Make life insurance a key component of your financial plan—and help provide for those who depend on you after you're gone.

Disability Insurance >

Help maintain your income for yourself and loved ones if you become injured or are unable to work for an extended period of time.

Long-Term Care Insurance >

Help prepare for the rising cost of long-term care plus help ensure access to health care or assisted living if you need it.

<https://www.schwab.com/insurance#panel--text-40731>



Envision What Life Looks Like in Retirement

- Where will your savings be spent?
- What new hobbies will you explore?
- How will you navigate your finances?
- How do you define a fulfilling retirement?



Envision Retirement

Common goals for retirement

- Plan a big trip
- Pick up a new hobby or interest
- Maintain physical and mental health
- Find ways to give back
- Buy your “forever” home



Envision Retirement

Common retirement surprises

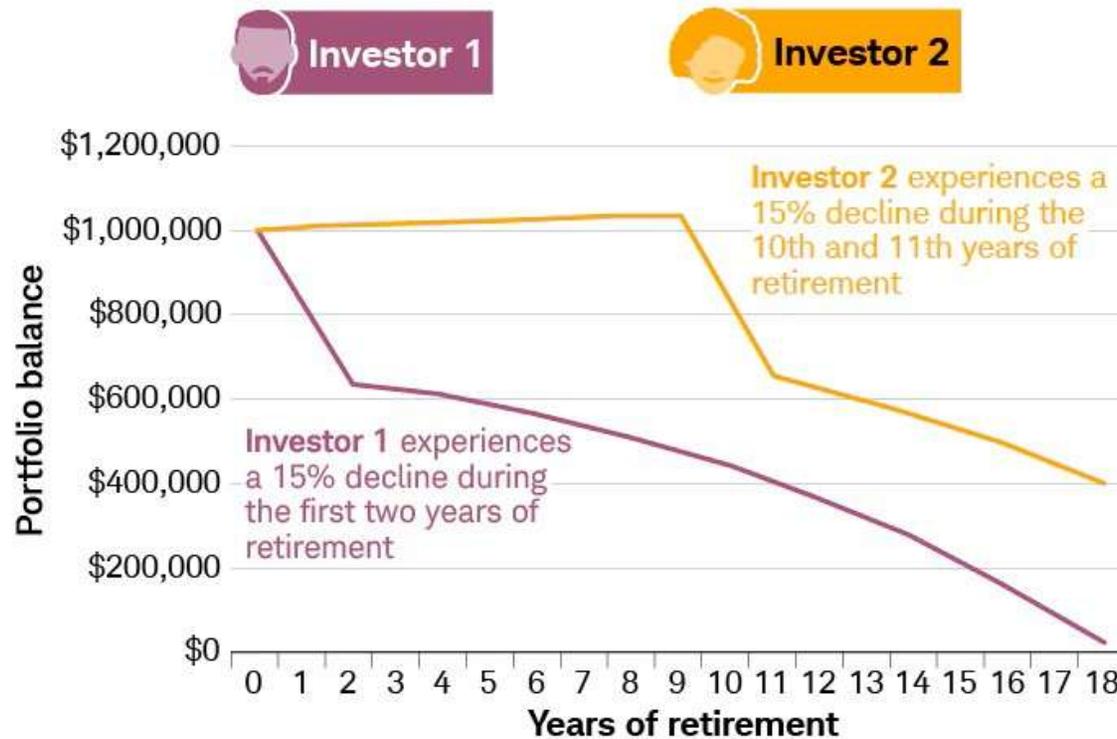
- Time
- Savings
- Spending
- Boredom



Why start early?



Sequence of Returns Risk



<https://www.schwab.com/learn/story/timing-matters-understanding-sequence-returns-risk>



Preparing for the next phase



The “I” Phase



IMPLEMENT THE PLAN

1 year before retirement –
1 year into retirement

Transition to financial independence
and fine-tune your plan to prepare for
post-retirement taxes and healthcare.

- Retirement “from” vs. “to”
- Accumulation vs. Distribution
- Fine-tune healthcare and Social Security
- 4% Spending Rule



Upcoming Seminars

AGILE “I” Phase of Retirement

Wednesday, July 9, 2025

6:00 PM

Pulse of the Market

Thursday, July 31, 2025

11:00 AM



Thank You!

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