

What Makes Reed Davis Wealth Management Retirement Planning Different from the Rest?

Planning for retirement has as many calculations as a cross country drive. Let's say that you start in California with the goal of reaching Florida. There are many factors in your trip: the weather, road conditions, mountains, deserts, gas stations, rest time, etc. When you leave for your trip, you aren't sure what will happen along the way, but you try to be as prepared as possible. What happens if you have car trouble? What happens if a hurricane is going through a southern state? What if a major interstate is closed due to an accident? You hadn't prepared for those possibilities, so how long will it take to get to your destination now?

Now let's say that you are planning to invest for your retirement. You're just starting your plan (California) and retirement is your goal (Florida). You may be wanting to retire in five years or 30 years. Will those two trips look different? Of course, they will. You will need to plan for risks along the way. And you may need to make changes to your retirement as time passes.

At Reed Davis Wealth Management, we start with a review of your retirement goals, as well as your spending needs. We examine your assets and income sources for retirement, such as pensions, 401(k), and Social Security. We spend a great deal of our time helping you avoid potential mistakes when it comes to retirement planning.

Let's say on your trip, you have a flat tire. That was an expense and a delay in your trip that wasn't a part of your plan. Later on, you're stuck on the interstate for hours behind a wreck. Not only does that cost you precious time, but you may be low on gas and have miles until the next gas station. These unexpected instances can compare to your actual retirement road. There could be issues with Social Security, healthcare and taxes, among other things, that you weren't prepared to run into on your retirement trip. You need your own roadside assistant, or in our case, a financial advisor, to help you out along the way to make your trip run as smoothly as possible.

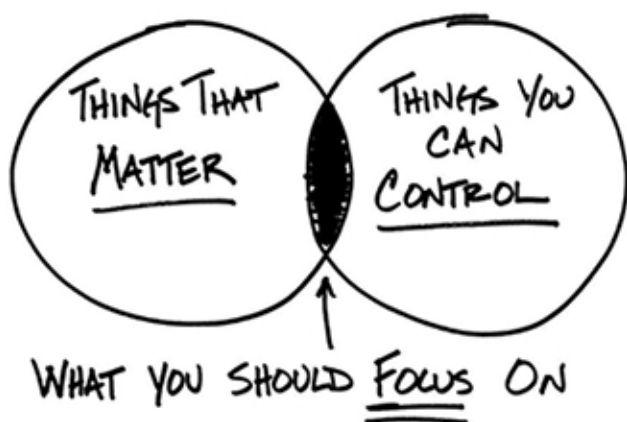
Every client's financial journey is unique. The solution that is right for you may not be the same for other clients. As financial advisors, we can give you retirement income planning strategies for the best time to take benefits and how to stay within tax brackets that will minimize penalties. Paying too much in taxes in Social Security, for instance, is one of those hiccups on your road trip that does lots of damage over time.

Inflation is another concern for your retirement finances. Your Social Security benefits have lost about 34% of their buying power since the year 2000. The cost-of-living adjustment on Social Security benefits is far behind inflation at any given point. That is another curve in your road to retirement that many people don't think about.

The government offers us Medicare and Social Security for our retirement years. But neither is there to be your full retirement plan. The average investor doesn't realize that your Medicare premiums can double if you don't take your Social Security in the right way. And chances are that you're paying too much in taxes. As trusted financial advisors, we are here to walk our clients through the process and protect the money they need.

The last hurdle for investors to think about is if his portfolio has enough downside protection. This is important when the economy hits a bump like it did in 2020, when the DOW dropped 38% due to the global pandemic, Covid-19. Your investment strategies should reflect your risk tolerance profile and stage of life. The key to your investment strategies is balance. If the market makes a downturn, the right downside protection can put you in much better shape.

When we at Reed Davis Wealth Management first meet with our clients, we look at how comfortable you are with risk, and where you are in relation to your goals, as well as your long-term financial planning objectives. By avoiding common mistakes and having your eye on your financial destination, our plan is to make your trip as comfortable as possible, regardless of what you may encounter along the way.



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