

WHAT PEOPLE SHOULD KNOW ABOUT IMPROVING RETIREMENT INCOME... BUT DON'T

The American College of Financial Services recently surveyed 1,244 consumers, ranging in age from 60 to 75 years old with at least \$100,000 in assets other than their home, to measure their retirement income financial literacy.



THE GOAL:

The survey measured Americans' retirement income financial literacy to determine which aspects of retirement income planning were most and least understood. The survey focused on taxes, inflation, Medicare, investments, long term care, life insurance, annuities, Social Security, pensions, and housing. The results of the survey cast a bright light on acute and widespread gaps in retirement income knowledge.

Respondents were unaware of strategies to improve retirement security.

FEW KNEW THAT:

- ✓ working longer
- ✓ postponing Social Security
- ✓ withdrawing less from retirement accounts

...helps finances in retirement.

WHAT PEOPLE SHOULD KNOW... BUT DON'T



of respondents understand that it is more effective to work **TWO YEARS LONGER** or defer Social Security for two years than to **INCREASE CONTRIBUTIONS BY 3%** for five years prior to retirement.



TAKEAWAY:

Most Americans are making uninformed decisions about when to stop working.



of respondents know that **\$4,000** is the most they can afford to safely withdraw per year from a **\$100,000** retirement account.

TAKEAWAY:

Most don't know how to determine a prudent withdrawal rate in retirement.

RETIREMENT IS COMING. ARE YOU PREPARED?

Measure your own retirement readiness by taking the quiz at:

[Retirement.TheAmericanCollege.edu/retirement-101/2017-retirement-income-literacy-quiz](https://www.TheAmericanCollege.edu/retirement-101/2017-retirement-income-literacy-quiz)

By working with a retirement income expert, investors' most complex and unique needs are met with comprehensive recommendations and guidance.

Refer to www.DesignationCheck.com to confirm an advisor's credentials and ensure they are qualified to provide sound financial advice. Look for a credential such as RICP® to confirm your advisor has a specialization in retirement income.

Retirement Income Certified Professional®

Financial advisors who earn the Retirement Income Certified Professional® (RICP®) designation have the in-depth knowledge to help investors plan a secure, sustainable retirement. Advisors with the RICP® mastered the retirement income principles outlined in the literacy quiz and beyond. Learn more about obtaining an RICP® and accelerating professionally at www.TheAmericanCollege.edu/RICP.

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