

Trust Company

of Illinois

Retirement Calculator *How much should you save?*

USE THIS WORKSHEET TO ESTIMATE HOW MUCH TO SAVE FROM EACH PAYCHECK.

Annual Income You Would Need If You Retired Today

	EXAMPLE	YOU
Current annual income	\$30,000	_____
Multiplier	x 80%	_____
Estimated income need	\$24,000 (a)	_____

Retirement Income You Expect to Receive

Annual amounts; don't count income from personal savings and investments

Social Security	\$12,000	_____
Employer's pension	\$0	_____
Other income	\$5,500	_____
Total income from other sources	\$17,500 (b)	_____

Annual Retirement Income Needed from Personal Savings and Investments

Subtract (b) from (a)	\$6,500	_____
Inflation factor from Table A (example assumes 25 years to retirement)	x 2.09	_____
Income needed from savings/investments	\$13,585	_____

Total Amount of Personal Savings and Investments Needed by Retirement

Income from savings/investments (above)	\$13,585	_____
Multiplier (Choose a multiplier from Table B. 14.88 assumes a 20-year retirement period.)	x 14.88	_____
Targeted total savings/investments	\$202,145 (c)	_____

Future Value of Any Assets You Now Own That May Be Valuable for Retirement

Value of the assets today	\$11,000	_____
Growth factor from Table A	x 4.29	_____
Value of the assets at retirement	\$47,190 (d)	_____

Amount You Should Save Each Month from Now Until Retirement to Reach Your Targeted Total

Difference between (c) and (d)	\$154,955	_____
Saving factor from Table A	÷ 54.86	_____
Amount you should save each year in your employer's plan	\$2,825	_____
Divide by 12 for monthly savings amount	\$235	_____

TABLE A

Years to Retirement	Inflation Factor *	Growth Factor **	Savings Factor **
5	1.16	1.34	5.64
10	1.34	1.79	13.18
15	1.56	2.40	23.28
20	1.81	3.21	36.78
25	2.09	4.29	54.86
30	2.43	5.74	79.06
35	2.81	7.69	111.43
40	3.26	10.29	154.75

* A 3% inflation rate is assumed. Actual inflation will be different.

** A 6% annual investment return is assumed. Future investment returns cannot be predicted, and your actual returns and principal value will differ. The example assumes 25 years to retirement.

TABLE B

Years to Retirement	Payout Multiplier
10	8.53
15	11.94
20	14.88
25	17.41

Multipliers assume a 3% after-inflation annual return. Your returns will differ.

If this amount seems high, don't be discouraged. You may have to start your savings program with a smaller amount and increase it over time.

For further information, contact the Trust Company Retirement Plan Services help line at 630-584-4822 or visit www.tcwealthpartners.com.