

RETIREMENT CALCULATOR

One of the additional features on the OPC website is the Retirement Calculator tool. This valuable tool can assist you with determining whether changes to your current savings and investment strategies may be needed to better meet your retirement goals.

Figure 1 – Retirement Calculator

The screenshot shows the 'Retirement Income and Savings' calculator interface. It has two columns for 'You' and 'Spouse'. Fields include: Current age (42 for You), Retirement age (67 for You), Life expectancy age (84 for You), Current salary (0.00 for both), Annual salary increase (0.00% for both), Expected retirement income (radio buttons for Percent of salary and Dollar amount), Retirement plan savings (22607.15 for You), Annual contribution % (0.00% for both), Company match % (0.00% for both), Other savings (0.00 for both), Annual savings increase (0.00 for both), Annual social security benefit (0.00 for both), Annual pension benefit (0.00 for both), Return before retirement (0.00% for both), Return after retirement (0.00% for both), and Inflation (0.00% for both). A 'Calculate' button is at the bottom right.

Login to your plan and from the top menu bar, click on Plan/Calculate Retirement.

By completing the applicable fields, you will be able to *estimate* your future income and savings available upon retirement.

Figure 2 – Calculation Information

The screenshot shows the same calculator interface but with calculated values. For 'You': Current age 42, Retirement age 67, Life expectancy age 84, Current salary 50000.00, Annual salary increase 5.00%, Expected retirement income (radio buttons), Retirement plan savings 22607.15, Annual contribution % 20.00%, Company match % 3.50%, Other savings 0.00, Annual savings increase 0.00, Annual social security benefit 0.00, Annual pension benefit 0.00, Return before retirement 0.00%, Return after retirement 0.00%, Inflation 0.00%. For 'Spouse': Current age 41, Retirement age 67, Life expectancy age 86, Current salary 55000.00, Annual salary increase 4.00%, Retirement plan savings 17000.00, Annual contribution % 15.00%, Company match % 5.00%, Other savings 0.00, Annual savings increase 0.00, Annual social security benefit 0.00, Annual pension benefit 0.00, Return before retirement 0.00%, Return after retirement 0.00%, Inflation 0.00%. A 'Calculate' button is at the bottom right.

The calculator can also be used to create different scenarios to determine whether changes to your current savings amounts may be necessary to meet your retirement goals. Your spouse's information, as well as assets held outside of the retirement plan, can be entered simultaneously to provide feedback on your retirement needs.

Additionally, the calculator includes a field for inflation since the value of your assets today will decrease over time if your earnings are less than the increase in the inflation rate. Once you have filled in the applicable information, click "Calculate".

Figure 3 – Retirement Calculation Projection

Year	Age		Combined Salary	Social Security Income	Pension Income	Savings Distribution	Monthly Income	Savings Balance
	You	Spouse						
2014	42	41	\$105,000.00	\$0.00	\$0.00	\$0.00	\$8,750.00	\$50,982.15
2015	43	42	\$109,700.00	\$0.00	\$0.00	\$0.00	\$9,141.67	\$74,759.65
2016	44	43	\$114,613.00	\$0.00	\$0.00	\$0.00	\$9,551.08	\$99,611.63
2017	45	44	\$119,748.77	\$0.00	\$0.00	\$0.00	\$9,979.06	\$125,587.22
2018	46	45	\$125,117.53	\$0.00	\$0.00	\$0.00	\$10,426.46	\$152,737.87
2019	47	46	\$130,729.99	\$0.00	\$0.00	\$0.00	\$10,894.17	\$181,117.36
2020	48	47	\$136,597.33	\$0.00	\$0.00	\$0.00	\$11,383.11	\$210,781.99
2021	49	48	\$142,731.27	\$0.00	\$0.00	\$0.00	\$11,894.27	\$241,790.67
2022	50	49	\$149,144.07	\$0.00	\$0.00	\$0.00	\$12,428.67	\$274,205.03
2023	51	50	\$155,848.56	\$0.00	\$0.00	\$0.00	\$12,987.38	\$308,089.57

The result displays a chart summarizing your income and savings balance from your current age through your life expectancy age. It will also contain a breakdown of the sources and amounts that make up your projected income, as well as the projected savings amount needed to achieve your retirement income goals.