

# AHWATUKEE FOOTHILLS NEWS

## How to Retire Happy, Even with Inflation!



*April 5, 2023 by Dr. Harold Wong*

Inflation in 2022 hit 40-year highs, so how can you retire well, even if we have continued inflation and a recession in the next few years?

Case Study: I met Joe, age 63, and Judy, age 65, in June, 2019 at a seminar I gave at the Ahwatukee Event Center. They had \$850,000 of financial assets and 90% of it was in the stock market. They planned to retire when Joe reached 70.

They were concerned about stock market risk and wondered how much they would be able to spend when retired. Their #1 priority was “Never Run out of Money” and their #2 priority was “Investments That Don’t Lose”.

The conventional wisdom in the field of financial planning is that when retired, you need 25-35% less income than when working. I asked them to dream big and write down their bucket list items (everything you’ve dreamed about your entire life). I explained that there are 3 phases of retirement: the Go-Go years; the Slow-Go years; and the No-Go years. Most Americans don’t have more than 2-3 weeks of vacation each year. So, you may have a good income, but not enough time off to spend it on bucket list items.

Why should you spend your whole lives working and not be able to afford your bucket list items? In the Go-Go years, you have just retired and have unlimited time. The question is whether you will have enough money to afford to accomplish your list. You may be spending more during your Go-Go years than when you

were working.

The Solutions: Most take Social Security (SS) at age 62 and only 3-5% wait until age 70 when you may receive up to double what your retirement benefit would have been at age 62. Joe enjoys his job and will wait until age 70 to take SS. If Judy waits until she is full retirement age, she can take either her SS based on her earnings history; OR half of Joe’s. Their total future SS when Joe retires will be \$63,768. They then take 90% of their financial assets out of the stock market and buy two private pensions that are worth \$44,254 of total income when Joe reaches age 70.

They also buy some solar equipment that will generate a safe \$11,900 of annual income each year for 10 years. Using solar tax credits and deductions, they reduce the tax burden of a big Roth IRA Conversion so that half of their private pension income will be tax-free. As a result, total income at age 70 will be \$119,922, which is almost \$70,000 more than what they are currently spending and almost \$45,000 more than the \$75,000 they want to spend each year in retirement. These were the numbers in 2019. Now, with several years of increases to their SS, they will have at least \$125,000 of annual income. They don’t have to worry about the high inflation the last two years of forecasted inflation for the next two years. They have so much more income than they thought possible.

Attend my Free Live Seminar and Lunch: Saturday, 4/22/2023 at Hyatt Place, 3535

W. Chandler Blvd. Chandler, AZ 85226. The seminar is 10 am, followed by a Free catered lunch. Topic is “Beat Inflation by Saving Taxes and Increasing Income!”

Free Tour/Workshop at Solar Reeper (Refrigeration) Factory: Saturday, 4/29/2023 9am–12 noon. Topic is “How Solar Reefers can Reduce Taxes to \$0 and earn a steady 10-14%!” Lots of tasty refreshments served! Location is at Advanced Energy Machines: 4245 E. Norcroft Street, Mesa, AZ 85215, ¼ mile SW of McDowell & Greenfield Roads.

To RSVP for the seminars or schedule a free consultation, please contact Dr. Harold Wong at (480) 706-0177 or [harold\\_wong@hotmail.com](mailto:harold_wong@hotmail.com). His website is [www.drharoldwong.com](http://www.drharoldwong.com).

Free Information on Retirement Planning, Solar Business Investments, and Tax Savings can be found at [www.drharoldwong.com](http://www.drharoldwong.com) or [www.solarbusinessinvestments.com](http://www.solarbusinessinvestments.com).

**To schedule your Free Consultation  
Contact Dr. Harold Wong at  
(480) 706-0177 or  
[harold\\_wong@hotmail.com](mailto:harold_wong@hotmail.com)  
to RSVP.**

Dr. Harold Wong earned his Ph.D. in Economics at the University of California/Berkeley and has appeared on over 400 TV/Radio programs.