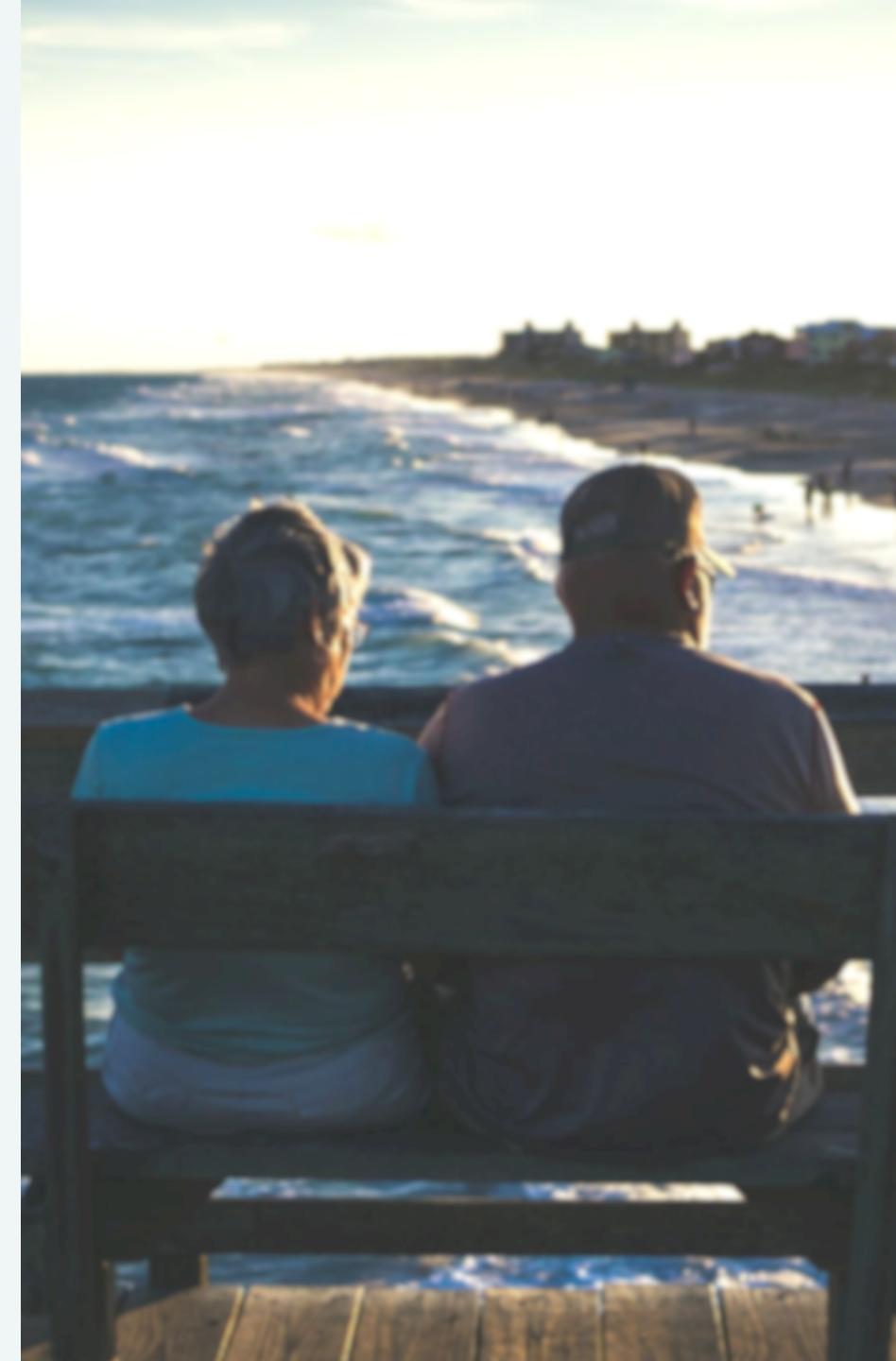


PROJECT 1

Financial Wellness in America

By: Amir Dehbozorgi





My Hypothesis:

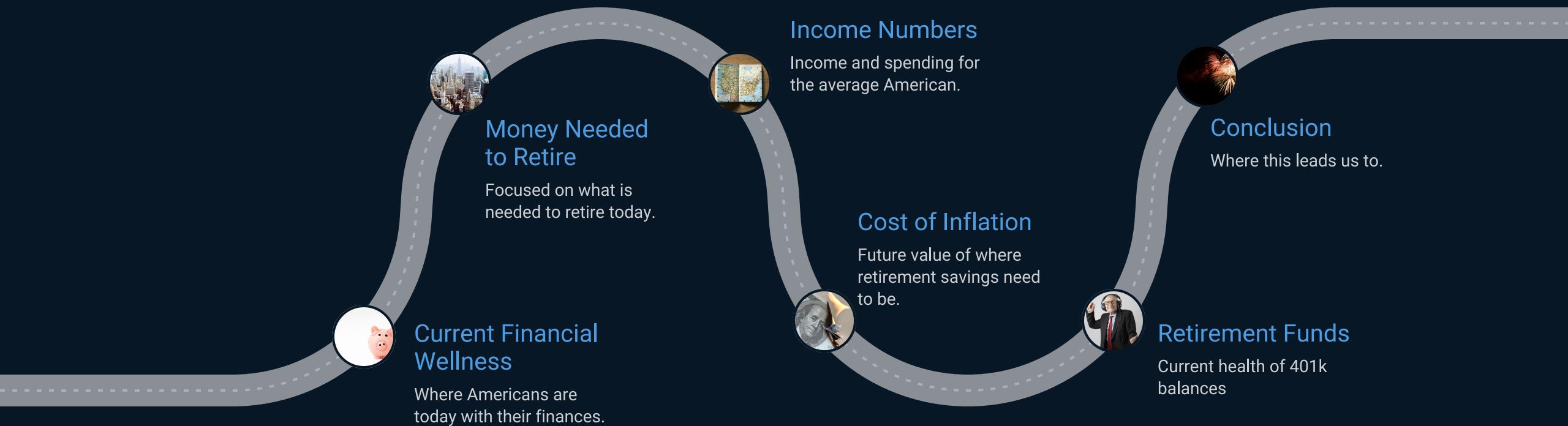
Majority of American's are not financially prepared to retire. In addition, they are not even on track to be able to retire.

Questions to Answer:

- 1) What is the current cost of living? What will the future cost be for younger generations to retire.
- 2) Do Americans currently have enough money to retire.

Are Americans Prepared for Retirement?

Financial Wellness in America



Current Financial Wellness

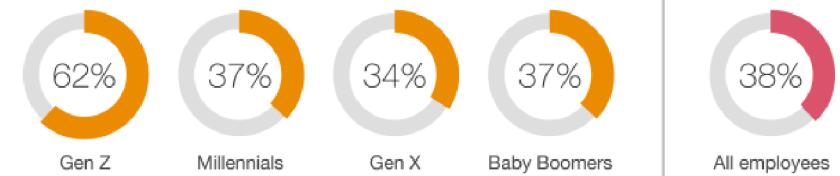
Many Americans are currently in a fragile financial state. With more than one third of employees stating that they have less than \$1,000 saved for unaccounted expenses.



More than half of Millennial and Gen X employees are likely to use money held in their retirement accounts for something other than retirement.

Many employees are unprepared for short-term cash needs.

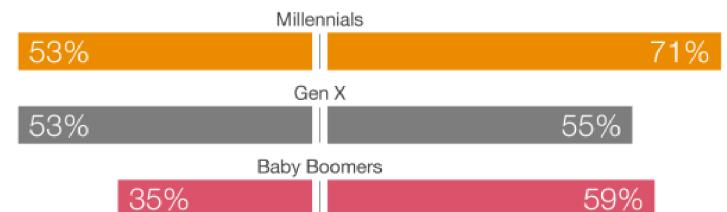
Less than \$1,000 saved to deal with emergency expenses:



PwC's 9th annual Employee Financial Wellness Survey, PwC US, 2020

Retirement plan withdrawals could further damage already underfunded retirement savings.

Employees who think it's likely they'll need to use money held in retirement plans for expenses other than retirement:



PwC's 9th annual Employee Financial Wellness Survey, PwC US, 2020

60% 

Close to 6 in 10 working-age Americans do not have a retirement account (according to Aspen Institute).

41% 

Age 40-49 have less than \$50,000 saved for retirement.



Top 5 Most Expensive States for Retirement

1

Hawaii: \$1,844,556, average
retirement at 66 years old.

2

California: \$1,456,286, average
retirement at 64 years old

3

New York:
\$1,408,121,
average retirement
at 64 years old

4

Alaska: \$1,341,805,
average retirement
at 61 years old

5

Oregon:
\$1,335,752,
average retirement
at 63 years old



Top 5 Least Expensive States for Retirement

1

Mississippi: \$617,661, average
retirement at 63 years old

2

Tennessee: \$660,870, average
retirement at 64 years old

3

Alabama:
\$712,832, average
retirement at 62
years old

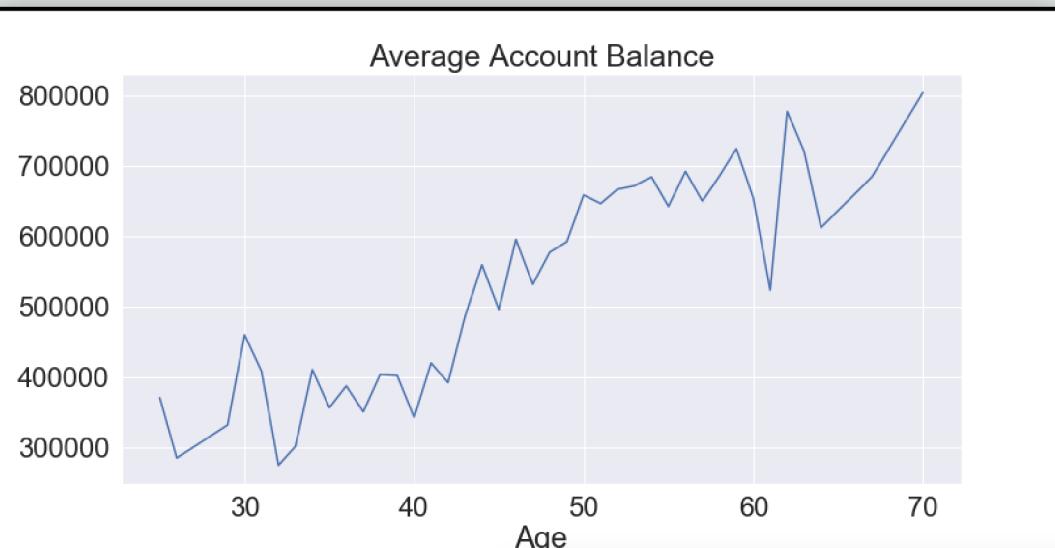
4

Oklahoma:
\$723,859, average
retirement at 62
years old

5

Arkansas:
\$728,010, average
retirement at 62
years old

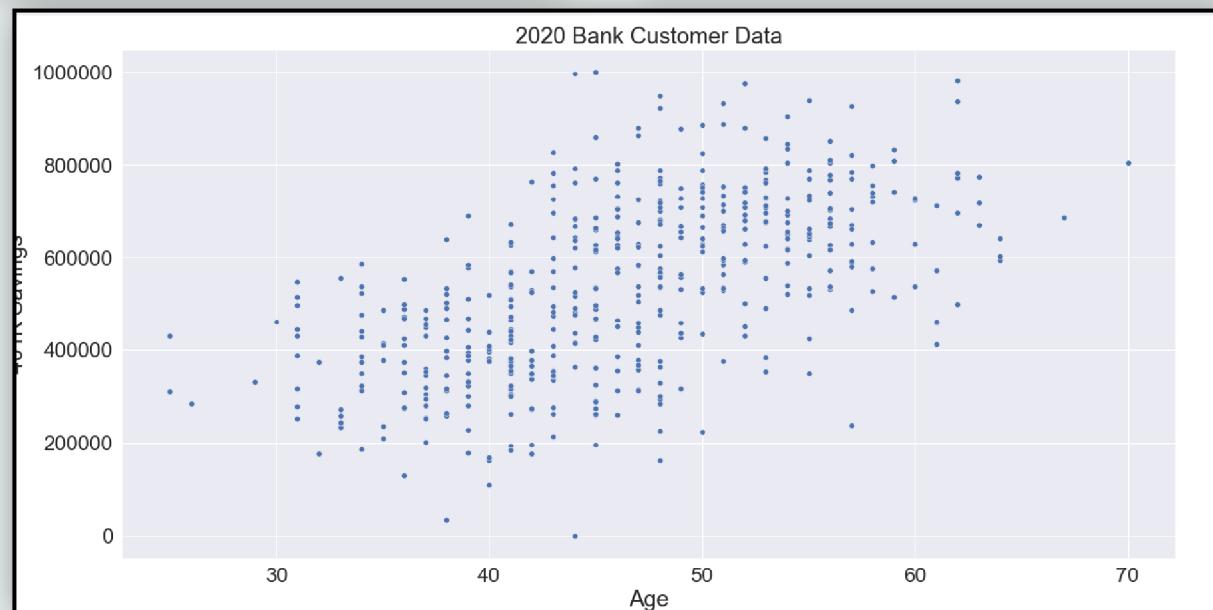
Do Americans currently have enough money to retire?



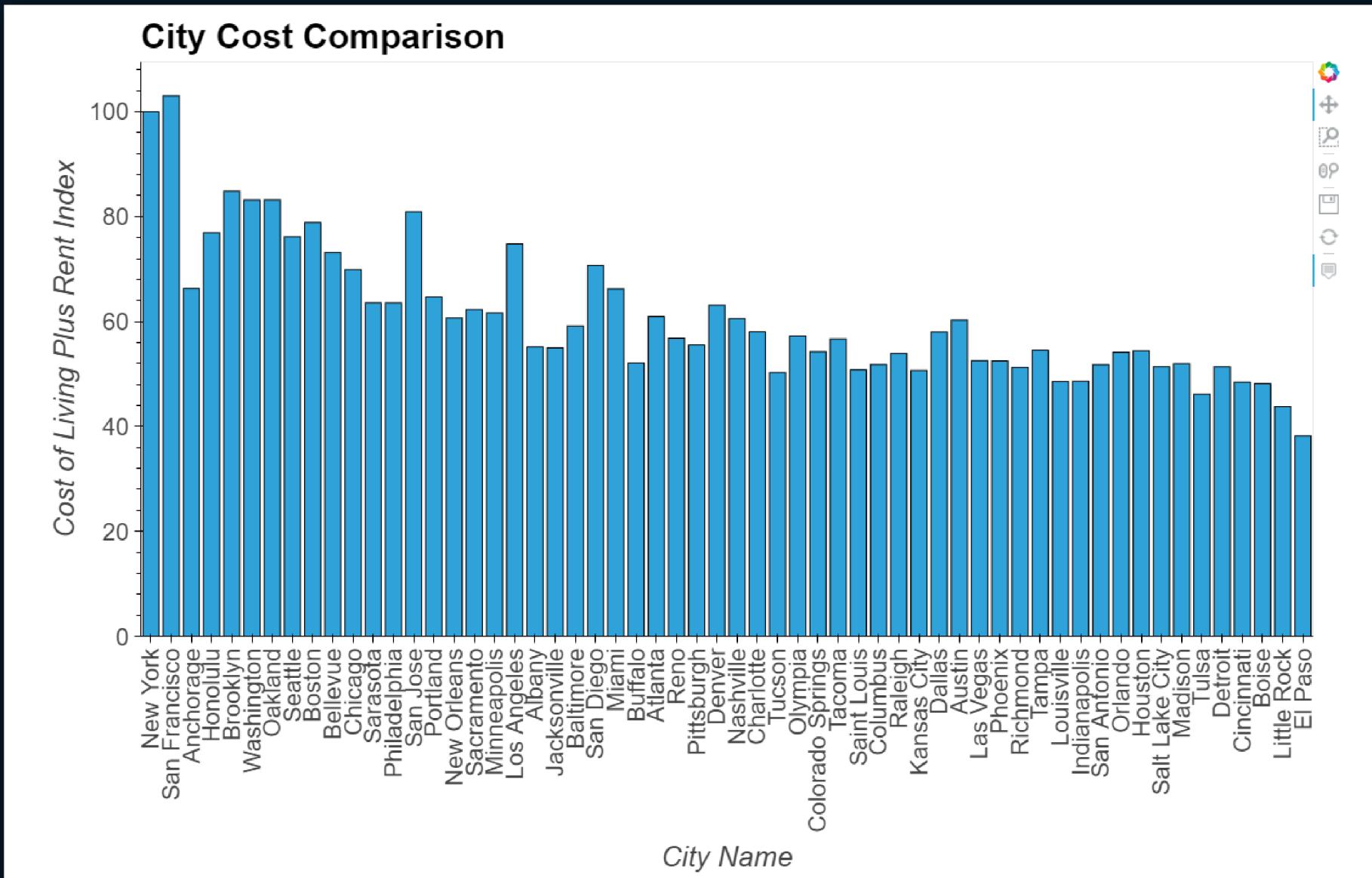
Average annual expenses for CA: \$86,171

Average annual expenses for NY: \$69,847

Average annual expenses for OR: \$68,712

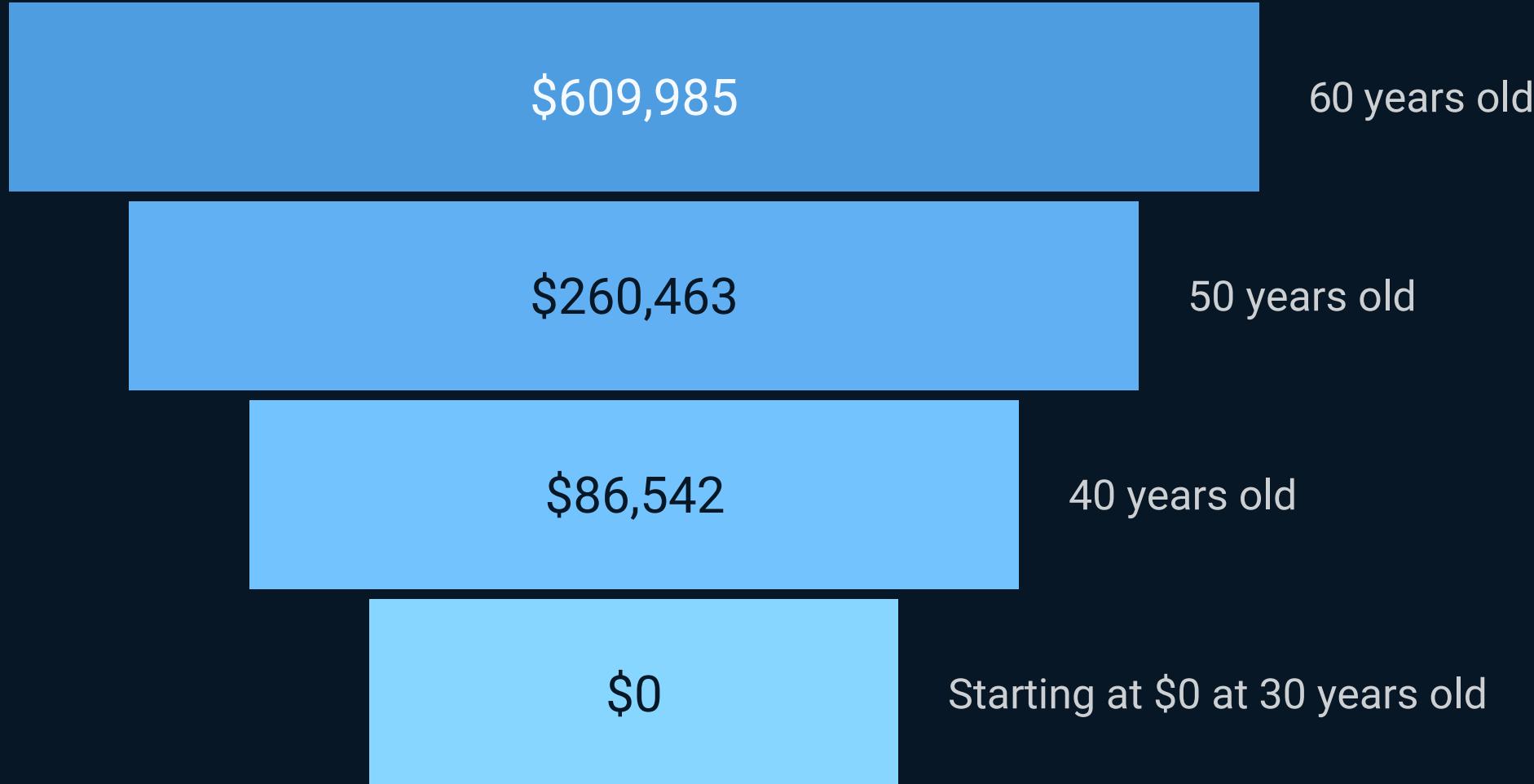


Comparing City Costs



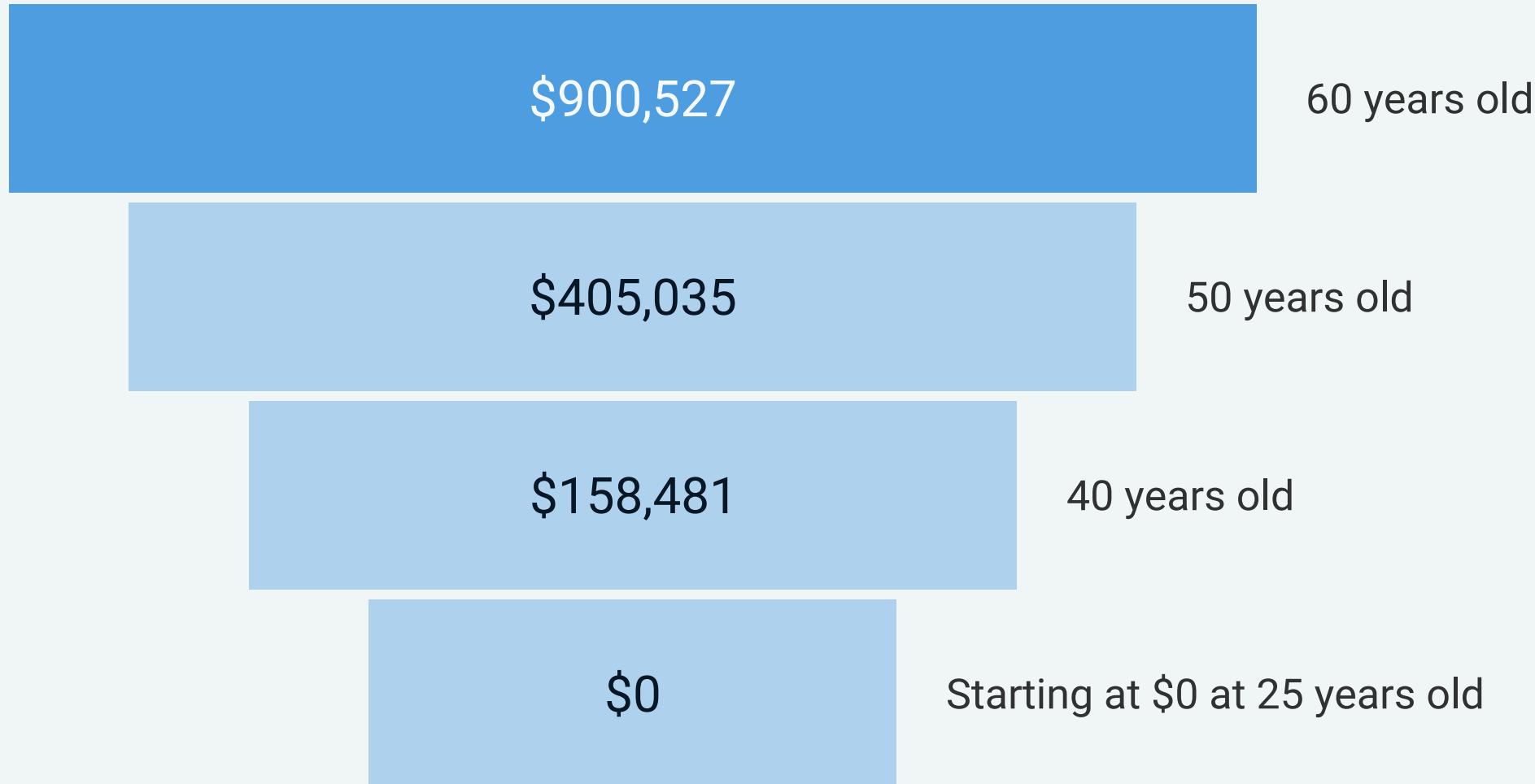
Retirement Funnel

**Assuming \$500 monthly contributions with a 7% annualized rate of return*



Retirement Funnel

**Assuming \$500 monthly contributions with a 7% annualized rate of return*

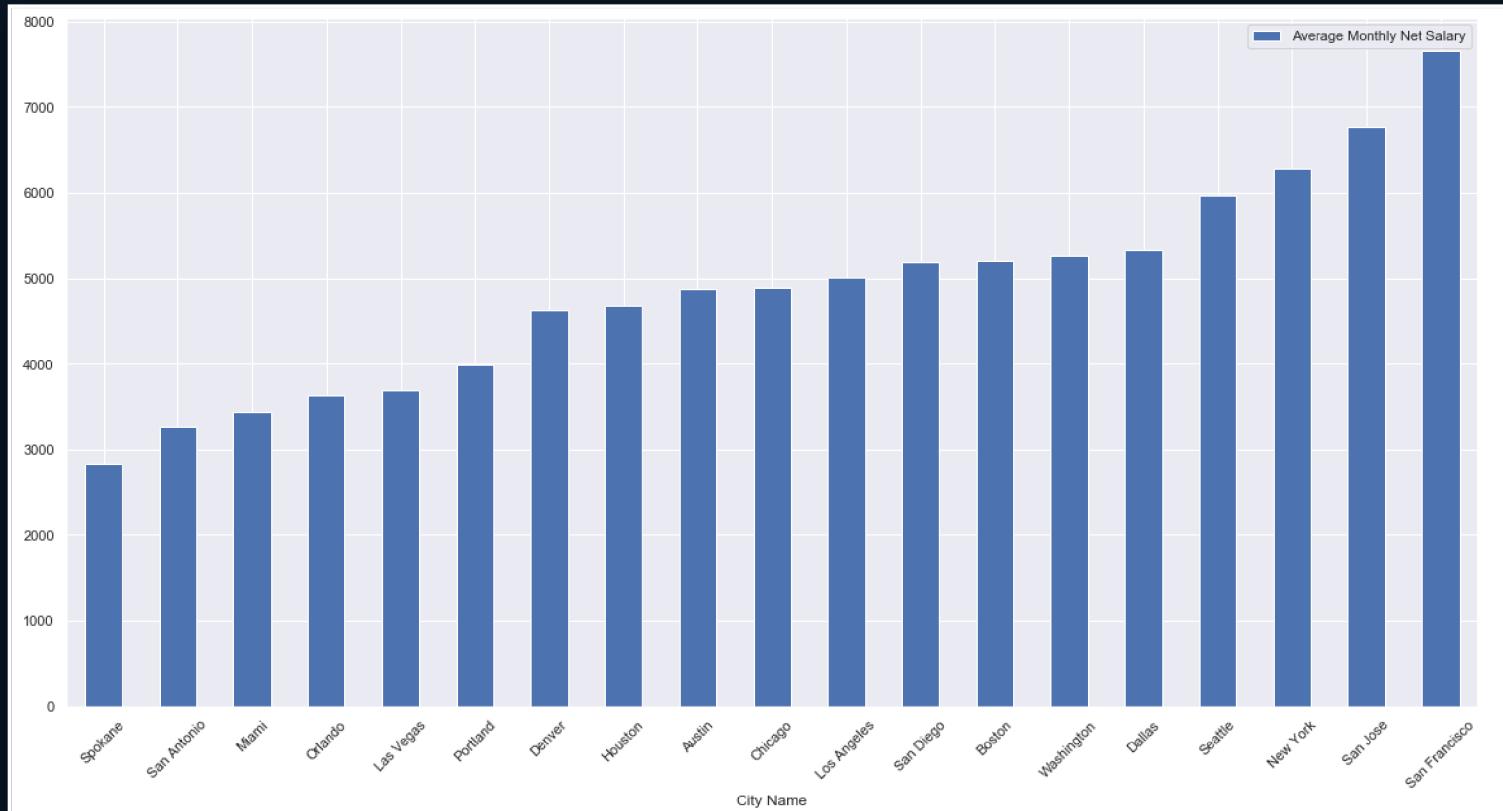


Average Adult Earns

\$78,635 per year

\$67,241 after taxes

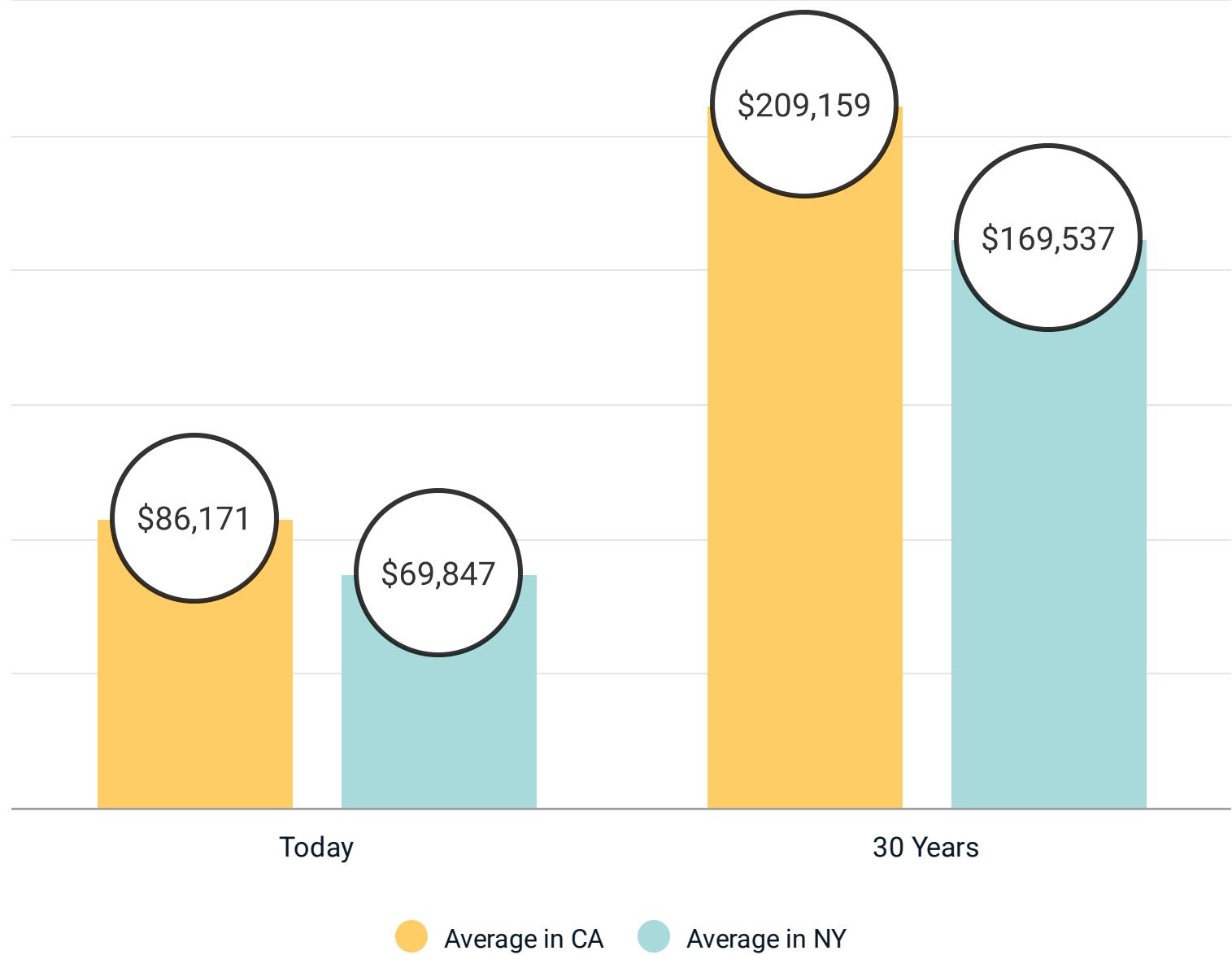
\$61,224 annual spending



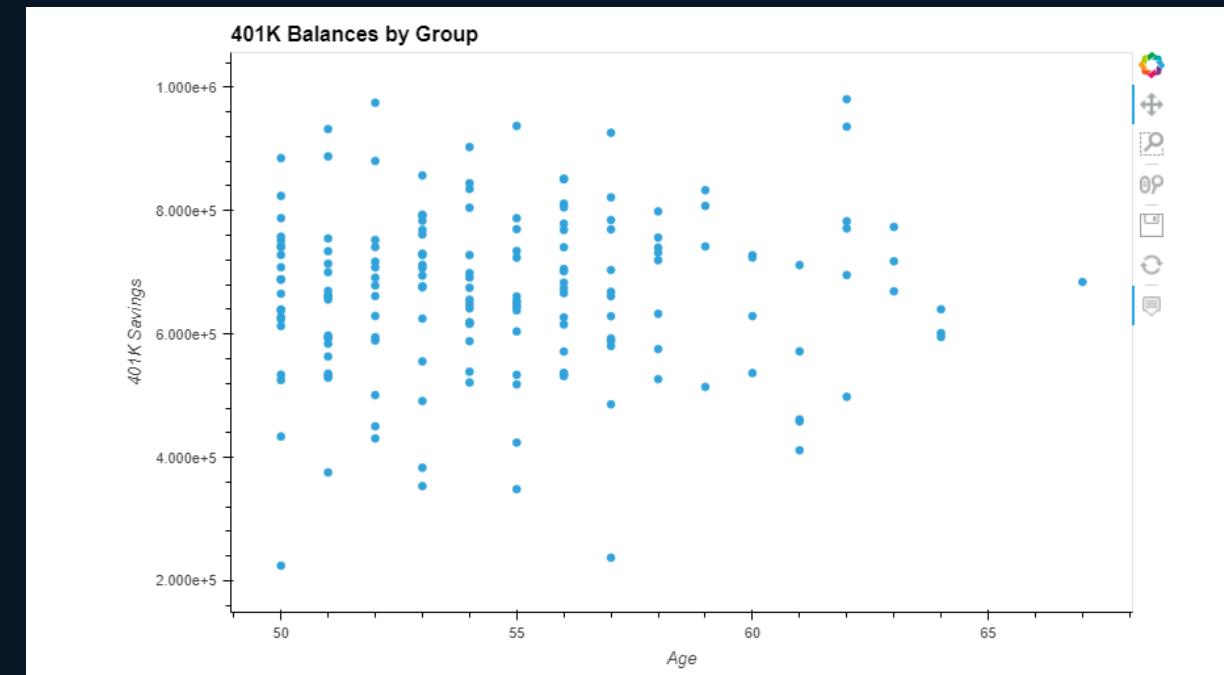
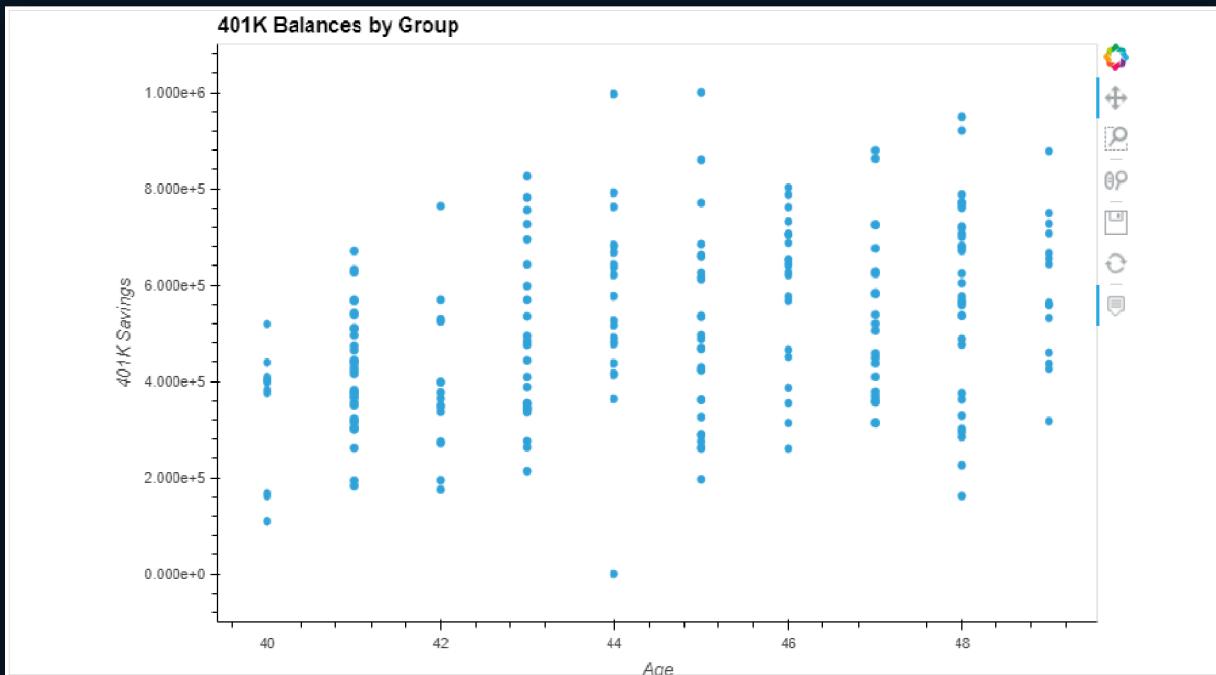
This leave the average adult with \$6,017 left to save each year.

Inflation over the next 30 years at 3% per year

How it Breaks Down



The Trend in Americans



Americans Need Help

Conclusion:

- Americans are not prepared for retirement.
- Younger generations are not equipped.
- Solution:
 - We need to prioritize education
 - create better resources
 - Companies will need to invest time and money since financial wellness has direct impacts on individual performance and happiness.





Thank You!
Any questions?