

2018 AICPA Personal Financial Planning Trends Survey Retirement Planning

Methodology

This online survey was administered August 20 to September 24, 2018 to holders of the members of the AICPA Personal Financial Planning Section, inclusive of CPA/PFS credential holders, and resulted in 631 completed survey responses by CPAs. Results for each question are for all respondents who answered that question.

TOPLINE DATA

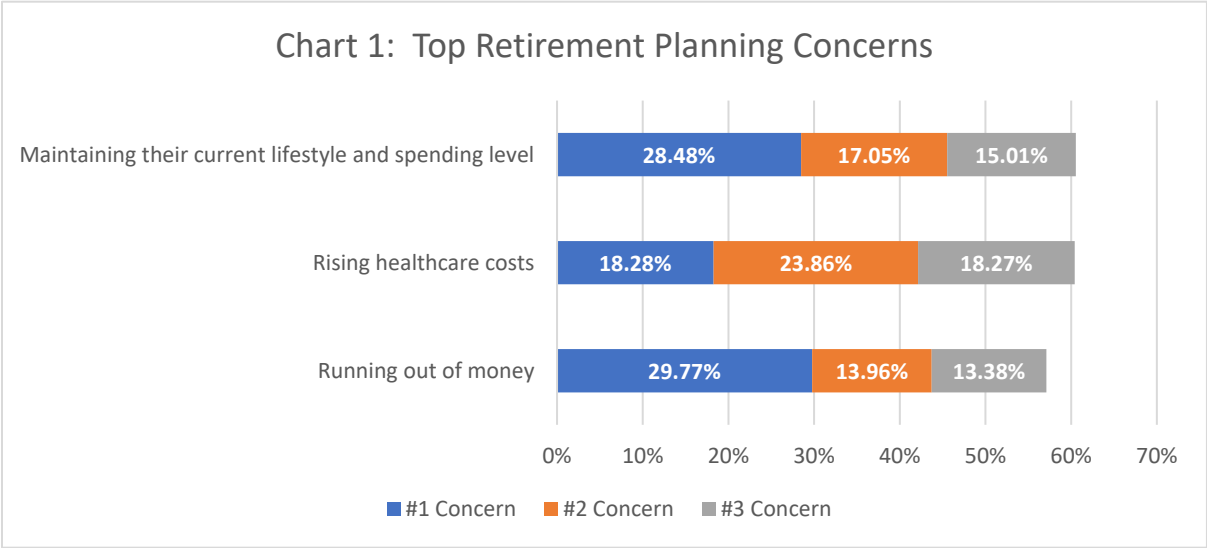
Compared to five years ago, describe your clients' confidence about their readiness for retirement?

Base: 623	
50%	More confident
9%	Substantially more confident
41%	Somewhat more confident
17%	No change
33%	Less confident
30%	Somewhat less confident
3%	Substantially less confident

What are the three most significant financial concerns your clients have with respect to their retirement planning?

- The % of respondents that included these areas in their top three:

Biggest Financial Concerns in Retirement Planning <i>(Base=621)</i>	#1 Concern	#2 Concern	#3 Concern	In the Top 3
Maintaining their current lifestyle and spending level	28%	17%	15%	61%
Rising healthcare costs	18%	24%	18%	60%
Running out of money	30%	14%	13%	57%
When to start collecting Social Security	7%	16%	15%	37%
How much to withdraw from assets	6%	10%	14%	31%
Costs of elder housing (assisted care/nursing home)	4%	11%	13%	27%
Paying taxes	4%	5%	6%	15%
Social Security solvency	2%	3%	5%	11%
Other (children returning home, diminished capacity, divorce, job loss, long-term healthcare concerns, caring for aging relatives)	0%	0%	0%	1%



How often do the following unexpected events impact your clients' retirement planning compared to five years ago?

Event	Base	Less often	About the same	More often
Long-term healthcare concerns	619	1%	42%	57%
Taking care of aging relatives	618	3%	47%	50%
Diminished capacity / dementia	618	3%	53%	45%
Job loss	613	36%	55%	9%
Divorce	613	15%	78%	8%
Adult child returning home	614	21%	58%	21%
Other (other events listed under "more often": student loans, family finances (2), tax changes, raising grandchildren, lack of saving (2), healthcare costs, death of spouse; no additional events listed under "less often")	72	11%	76%	13%

Regarding the concern about clients outliving their money...

- **What % of your clients have expressed this concern to you?**

Base: 605
48% Average % of CPA clients that have expressed this concern to them

- **What % of your clients do you, as their advisor, have a concern about?**

Base: 603
39% Average % of CPA clients that their CPA has this concern about

What are the top three reasons causing your clients stress about outliving their money?

- The % of respondents that included these areas in their top three:

Base: 625	
77%	Healthcare costs
53%	Market fluctuations
50%	Unexpected costs
42%	Lifestyle expenses
22%	Being a financial burden to their relatives
21%	Desire to leave something for their heirs
20%	Costs of financially supporting children or grandchildren
3%	Unemployment
4%	Other (aging parent costs (2), financial literacy, future Social Security, general economy, lack of savings (4), living longer (6), low interest rates, pace of tax changes

On average, how frequently do you discuss your clients' estate plans?

Base: 622	
2%	More than 3 times a year
10%	2-3 times a year
58%	Once a year
23%	Once every 3-5 years
2%	Once every 6-10 years
0%	Once (set it and forget it)
1%	Never
4%	I don't offer estate planning services