

# 10-Question Retiree Guide

Date:

Presenter:

**56005-0222**

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**MissionSquare**  
RETIREMENT



**1.  
What Does  
Retirement  
Mean to You?**



# What Will You Do?

**Take time to reflect** – you decide what your retirement looks like.



Time with  
Family



Hobbies/  
Leisure



Travel



Volunteer or  
Work Part Time



# Resources



Volunteering

[www.volunteermatch.org](http://www.volunteermatch.org)

Goals and Priorities

[www.lifereimagined.org](http://www.lifereimagined.org) (AARP)



## **2. When Will You Retire?**



# Benefits of Work, Even Part Time



Financial



Health



Mental Sharpness



Social Bonds with Colleagues



# The Unexpected Can Happen

**29%**

Health Problems

**11%**

Forced to Retire  
or Lack of Work

**15%**

Care for Family  
Member(s)



**3.**  
**Where Will  
You Live?**





# Emotional and Economic Factors



Climate



Close to Family



Cost of Living (including taxes)



Health Care Quality, Proximity





# Resources



State and Local Taxes

[www.taxfoundation.org](http://www.taxfoundation.org)

[www.retirementliving.com/taxes-by-state](http://www.retirementliving.com/taxes-by-state)

Locations

[www.successfulaging.org](http://www.successfulaging.org)



**4.  
How Much  
Will You  
Spend?**



# Rule of Thumb – You'll Need:

**80%**

of your  
Pre-Retirement  
Income

- Maintain your standard of living, savings, and certain taxes
- Some will need more, some less



# Know Your Spending Needs and Wants

**Compare**



**What will  
change?**

The more you know now, the more prepared you'll be later.



# Wild Cards



**Your Life Span** – living into your 90s and beyond



**Inflation** – even a low rate still adds up



**Taxes** – can't predict life or Congress



**Health and Long-Term Care** – unpredictable

**Plan for different possibilities.**



# Resources



Health Care

[www.healthcare.gov](http://www.healthcare.gov)

[www.medicare.gov](http://www.medicare.gov)

[www.icmarc.org/health](http://www.icmarc.org/health)

Long-Term Care

[www.longtermcare.gov](http://www.longtermcare.gov)

Cash Flow

[www.icmarc.org/spend](http://www.icmarc.org/spend)

[www.icmarc.org/debt](http://www.icmarc.org/debt)



**5.  
Where Will  
the Money  
Come From?**





# Pension



At what age(s)?



How much?



Inflation adjustments?



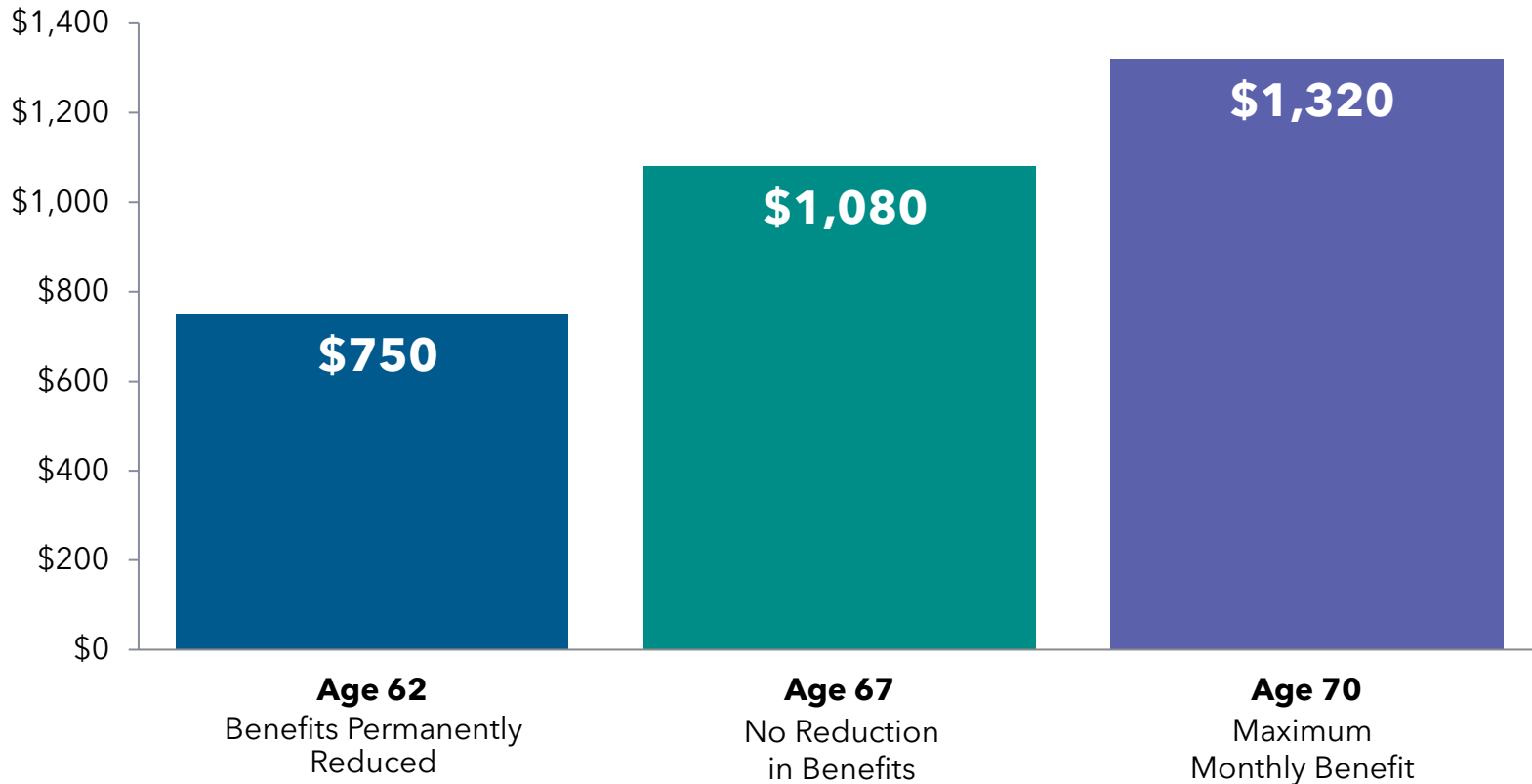
Surviving spouse?

**Get the facts – contact your benefits office.**





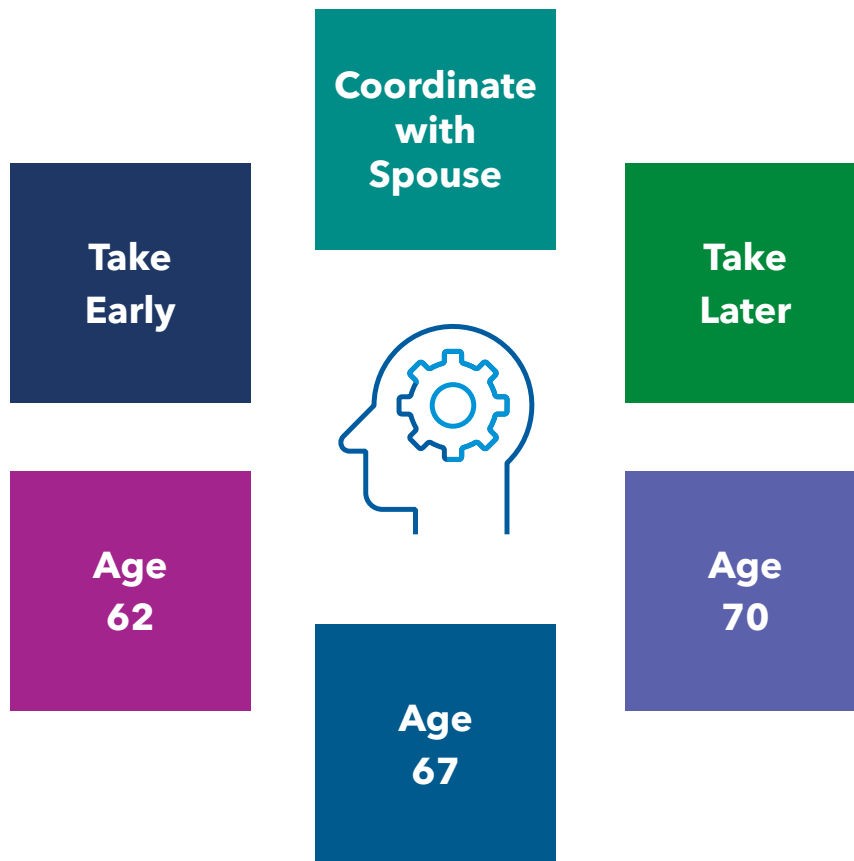
# When You Claim Social Security Matters



- Access your account online.
- Know if you'll get less due to non-covered employment.



# Social Security Decisions



- Compare all your options before you decide
- If married, explore how to maximize potential benefits over both your lifetimes



# Will Your Savings Be Enough?

## Get a Projection



Calculator



Advice Service



Financial Plan

**Then review it with a professional.**



# If You Haven't Saved Enough



**Save** More



**Spend** Less



**Delay** Retirement



**Earn** Income  
During Retirement



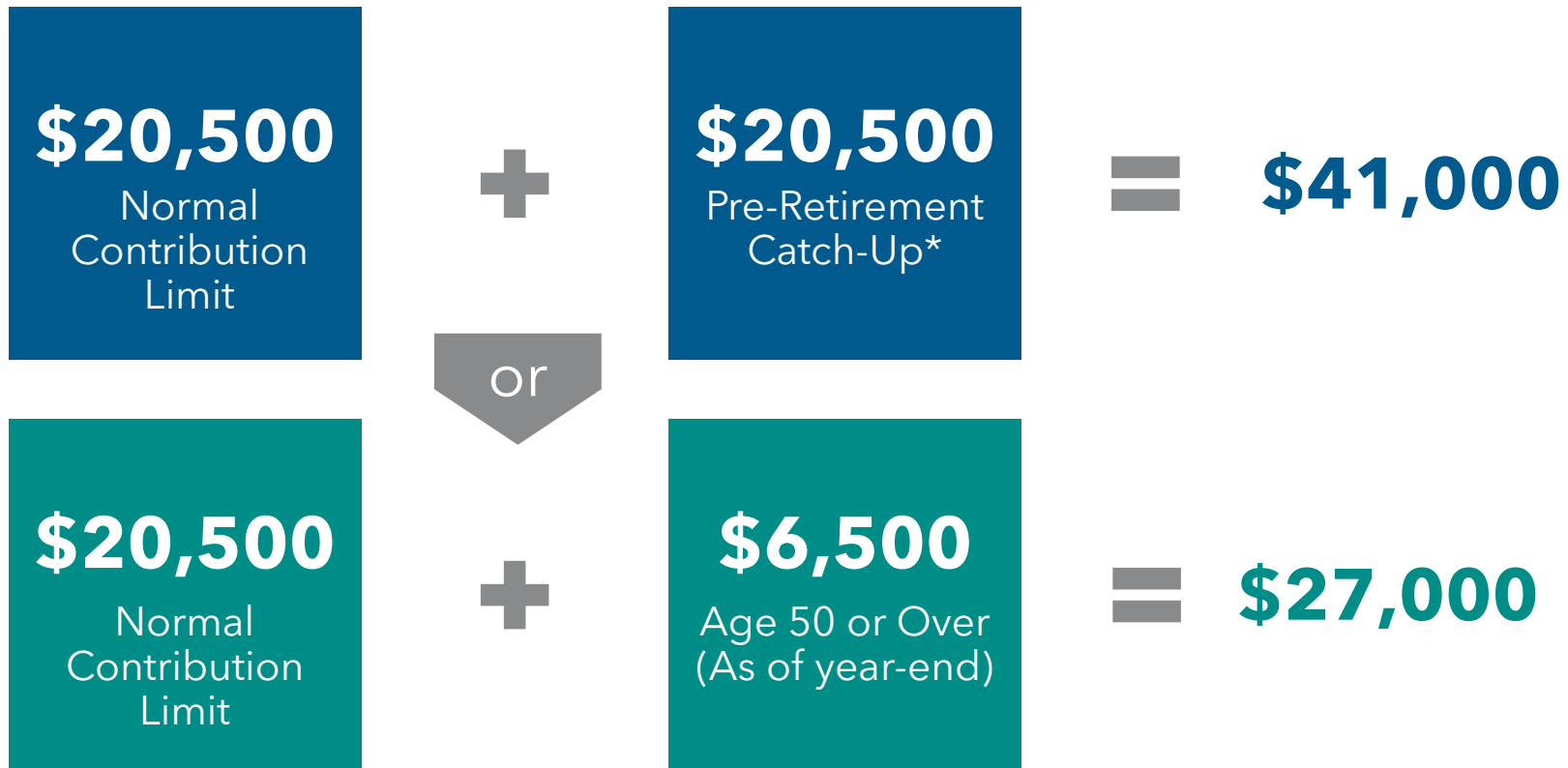
**Housing** – Downsize,  
Rent Out, Look into a  
Reverse Mortgage

**Control what you can, while you can.**



# Save More

## 2022 Contribution Limits – 457 Plan



\*During each of the three years prior to the year you reach your normal retirement age, as defined in the plan and based on the extent to which maximum contributions were not made in previous years.

Note: Pre-Retirement and Age 50 catch-up Provisions cannot be combined in the same plan year.



# Save More

## 2022 Contribution Limits – IRA

**\$6,000**

Normal  
Contribution  
Limit



**\$1,000**

Age 50 or Over  
(as of year-end)



**\$7,000**



# Resources



Saving

[www.icmarc.org/contributionlimits](http://www.icmarc.org/contributionlimits)

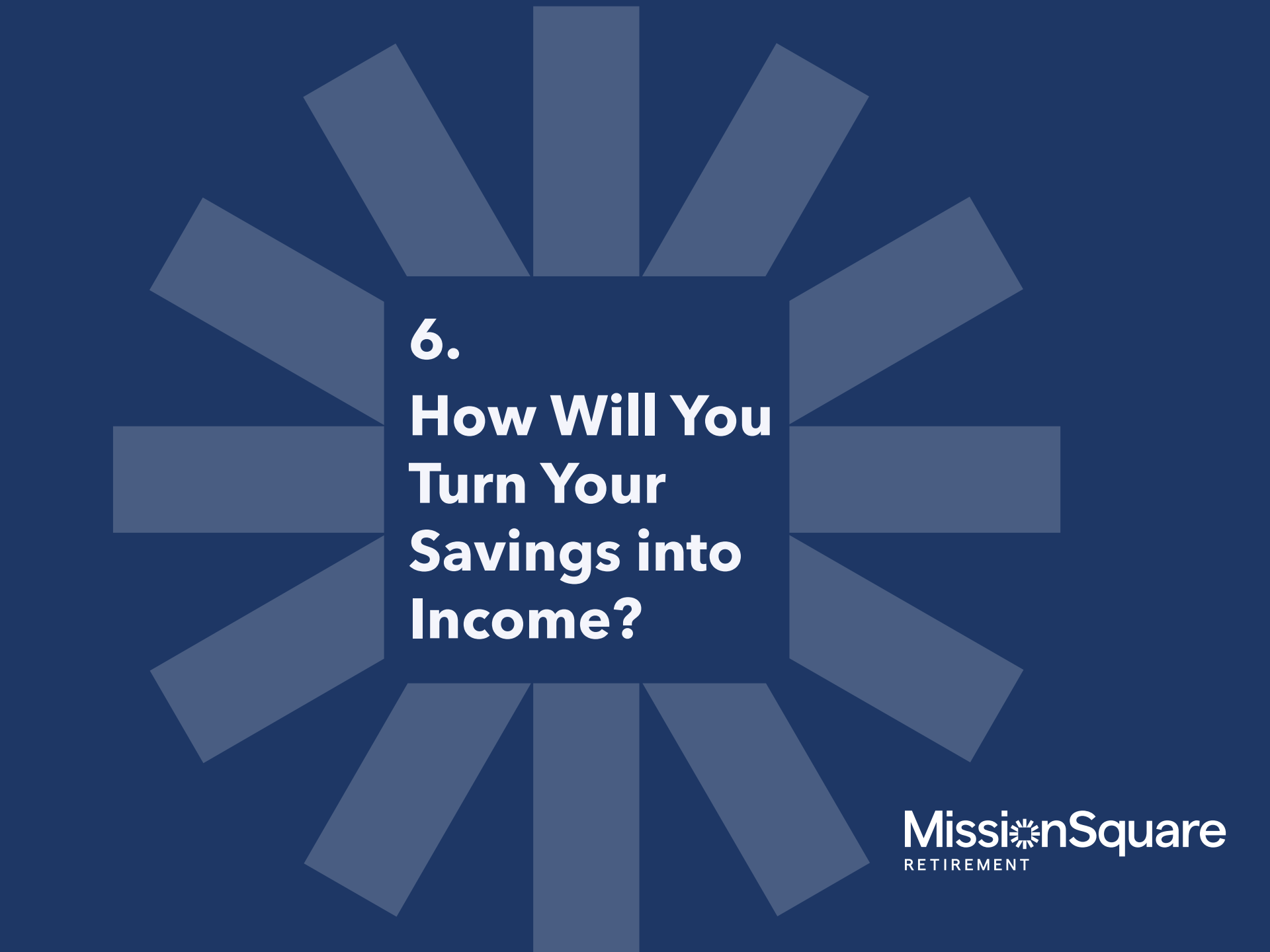
Social Security

[www.ssa.gov](http://www.ssa.gov)

Housing

[www.icmarc.org/reversemortgage](http://www.icmarc.org/reversemortgage)

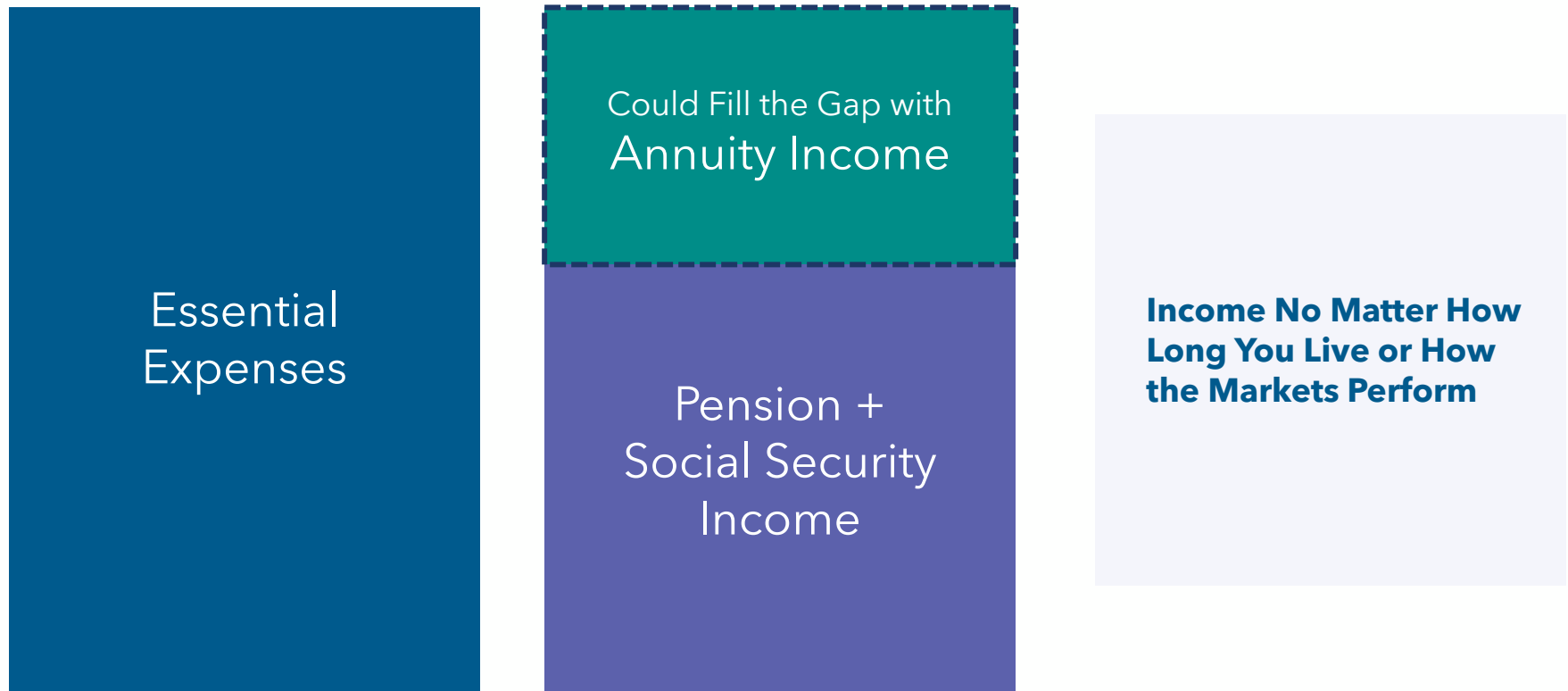




**6.  
How Will You  
Turn Your  
Savings into  
Income?**



# Meet Your Essential Expenses





# Buckets

Divide your investments based on **when** you'll need the money.



Lower-Risk  
Investments



Money Needed  
**Next 3-5 Years**



Higher-Risk  
Investments

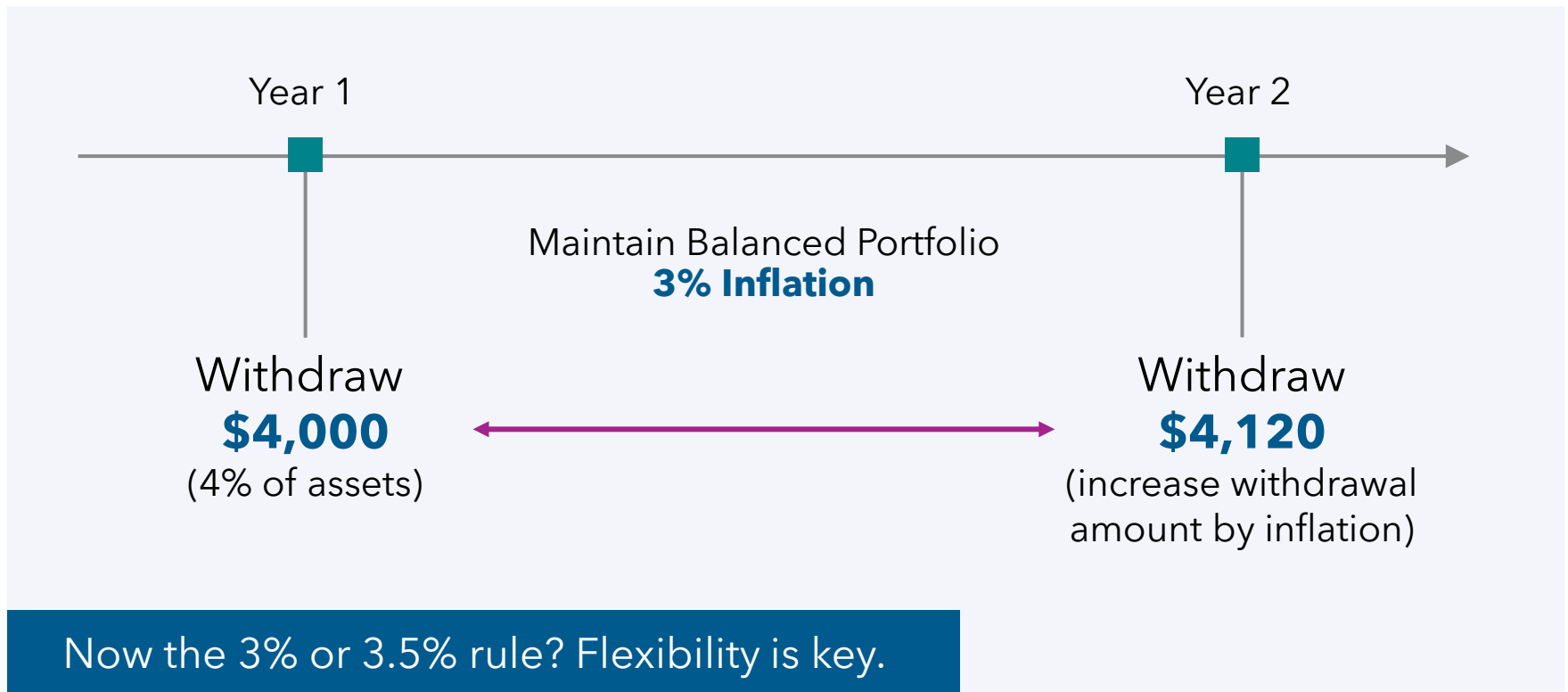


Money Needed  
**Longer Term**



# 4% Rule

**\$100,000** in Assets





# Flexibility Matters

**Adjust** withdrawals based on **recent** investment performance.



Year 1



Year 2



Take **less** due to poor Year 1 investment performance.



Year 3





# Resources



[www.icmarc.org/retireeplanner](http://www.icmarc.org/retireeplanner)





**7.  
How Will You  
Invest Your  
Savings?**



# The Big Risk

**What if** you retire here?



Taking withdrawals would lock in those losses.





# The Balancing Act Continues



Consider Taking **Lower Risk**

- Less time to recover

But You Still Need **Some Risk**

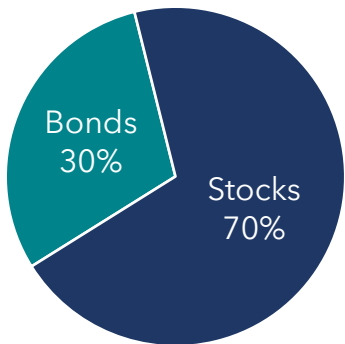
- Inflation
- Long retirement

A no-stock portfolio **increases** the chance you'll run out of money.

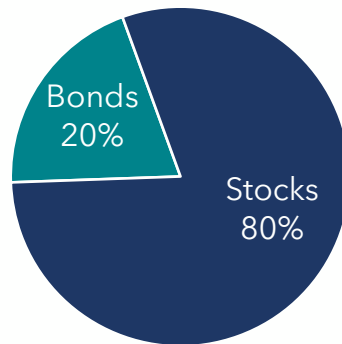


# Rebalance to Manage Risk

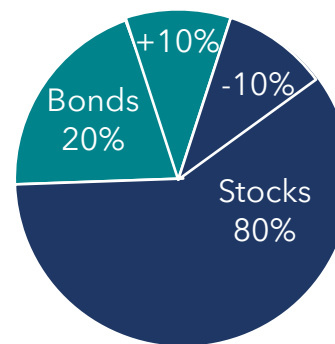
Periodically adjust your investments to maintain a target level of risk that makes sense for you.



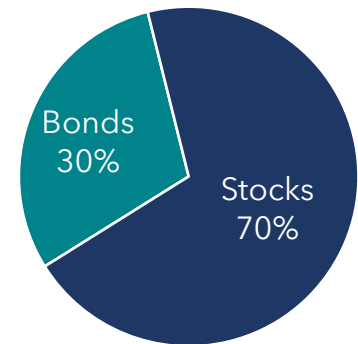
**Start of  
Year 1**



**End of  
Year 1**



**Rebalance  
End of Year 1**



**Start of  
Year 2**



# Resources



[www.icmarc.org/invest](http://www.icmarc.org/invest)





**8.**  
**How Will You  
Manage Your  
Taxes?**



# Income is Taxed at Different Rates

2022 Tax Rates	Single Filers	Married Filing Jointly
Tax rate of...	Applies to each \$ of applicable income...	
10%	\$0 to \$10,275	\$0 to \$20,550
12%	\$10,276 to \$41,775	\$20,551 to \$83,550
22%	\$41,776 to \$89,075	\$83,551 to \$178,150
24%	\$89,076 to \$170,050	\$178,151 to \$340,100
32%	\$170,051 to \$215,950	\$340,101 to \$431,900
35%	\$215,951 to \$539,900	\$431,901 to \$647,850
37%	\$539,901 or more	\$647,851 or more

**Taxable income** – all your income is subject to tax, minus deductions and exemptions.

**When making financial decisions, consider consequences of being bumped into higher brackets.**



# Diversify Your Taxes

Owning **differently taxed** assets can help you optimize your tax bill.



Year 1



Ordinary Income



Year 2



Tax-Free



Year 3



Capital Gains

Ability to withdraw **a mix** from each,  
based on your specific situation.



# Resources



[www.irs.gov](http://www.irs.gov)

[www.icmarc.org/taxplanning](http://www.icmarc.org/taxplanning)

[www.icmarc.org/rothconversion](http://www.icmarc.org/rothconversion)

[www.icmarc.org/rmdcalc](http://www.icmarc.org/rmdcalc)



**9.**  
**How Will You  
Plan Your  
Estate?**





# Estate Planning Is for Everyone



Ensure your assets go to whom you want and when.



Clearly communicate your wishes to minimize stress.



Protect and control assets in case you become incapacitated.



# Key Estate Planning Docs



- Beneficiary designations
- Will
- Financial power of attorney
- Medical power of attorney and living will
- Trusts

**Some of these may be essential, while others may not be needed.**




# Resources



[www.icmarc.org/estate](http://www.icmarc.org/estate)

[www.icmarc.org/beneficiary](http://www.icmarc.org/beneficiary)

**Consult an estate planning professional.**



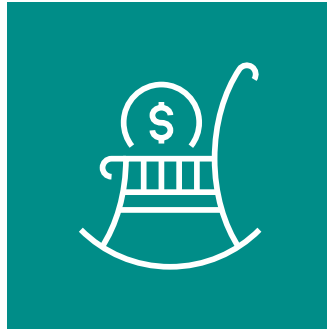
**10.  
Who Will  
Guide You?**



# Get the Help You Need



Insurance



Retirement Plans,  
Investments



Taxes



Cash Flow



Housing



Estate Planning



# A Financial Professional Can Help You



- Set goals
- Weigh options
- Set and follow systems
- Manage emotions





# Resources



Get a financial plan –

[www.icmarc.org/financialplans](http://www.icmarc.org/financialplans)

**MissionSquare Retirement CERTIFIED FINANCIAL PLANNER™ professionals can help point you in the right direction.**





# Disclaimer

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## Questions?

**Contact Amaya Fine for  
more information:  
[afine@missionsq.org](mailto:afine@missionsq.org)**

