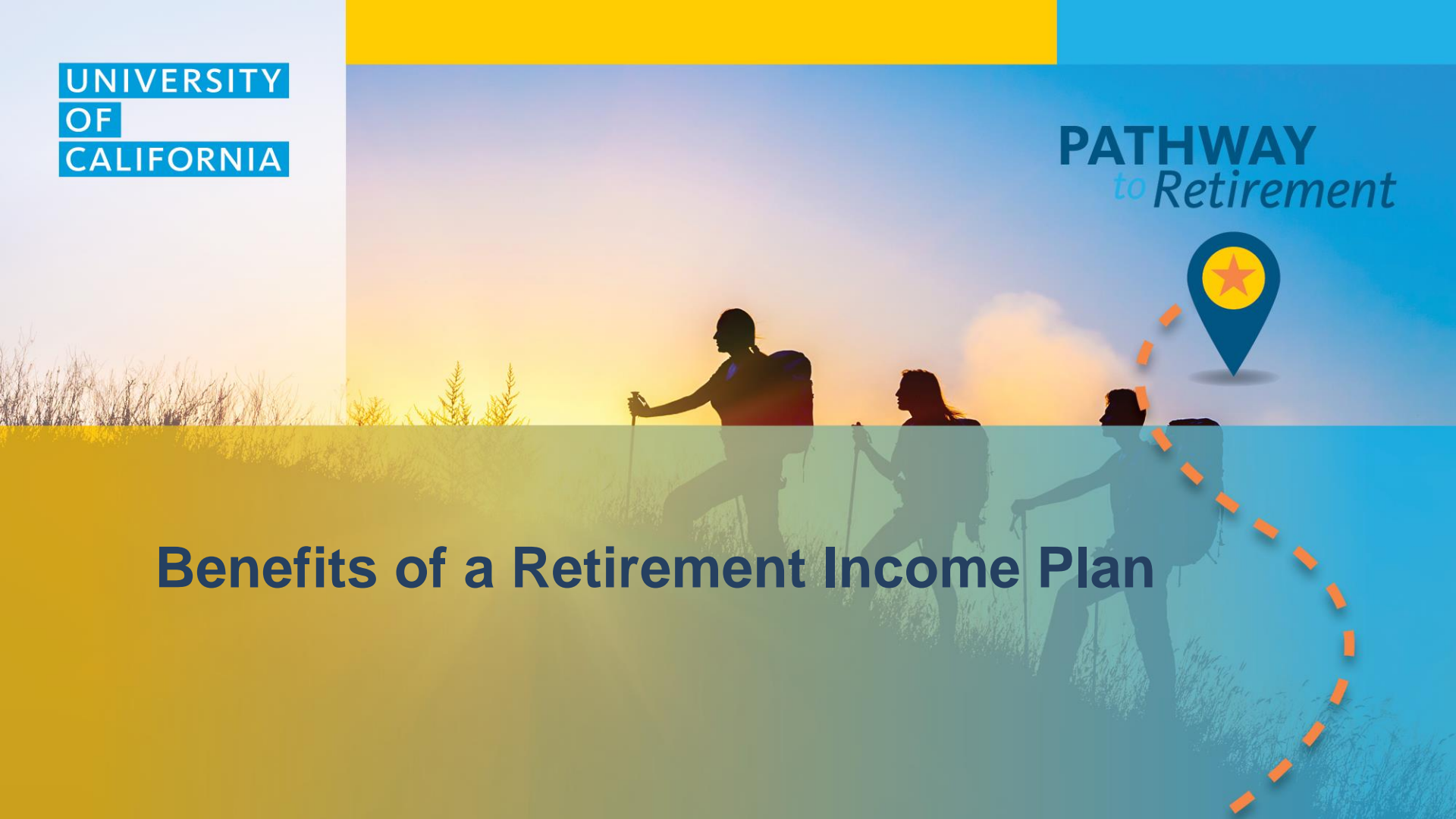





# Benefits of a Retirement Income Plan



A detailed **path** that helps you determine how to use your **financial resources** to generate **income to last** the rest of your life.


A decorative dashed orange line with a grey shadow, curving from the top right towards the bottom right of the slide.

# How many of you already have a detailed retirement income plan?

YES

NO

## Benefits of a Retirement Income Plan

- Decide when you can retire
  - Identify your sources of income
  - Prioritize your financial needs vs. wants
  - Understand and help minimize key risks
  - Stay on track to live the retirement you want
- 



**Decide when you can retire**





# Part 1: What you want

## When?



- By choice?
- By need?

## Where?



- Downsizing?
- Upsizing?

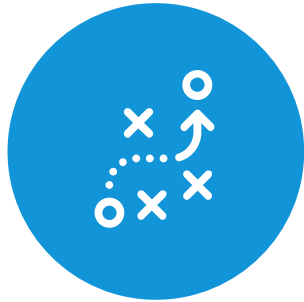
## What?



- Filling your days?
- Days of fulfillment?



## Part 2: What you can afford



**Ensure your savings last through retirement**



**Achieve the retirement goals and lifestyle you want**



**Maintain flexibility for opportunities and emergencies**



**Preserve your money for a legacy or inheritance**



**Identify your sources  
of income**

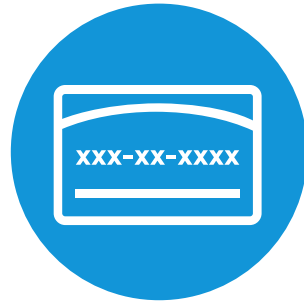




# Traditional retirement income sources



**UCRP  
(pension)**



**Social  
Security**



**UC  
Retirement  
Savings  
Program**



**Other  
Savings**



# Housing and Real Estate



**Plans for your home**

**Rental Income**

**The gig economy opportunities**

# Working

- **Part-time**
- **Consulting**
- **Seasonal work**
- **Hobbies that generate cash**
- **Phased retirement**





**Prioritize your financial needs  
vs. wants**

# 3

## Categories of expenses



**Essential  
Expenses**



**Discretionary  
Expenses**



**Emergency  
Expenses**

Gap

Estimated  
income

Estimated  
expenses

**\$5,000**

Estimated income per month

**- \$7,000**

Estimated expenses per month

.....  
**- \$2,000**

Potential gap per month



**Understand and help minimize  
key risks**

# Longevity Is the Game Changer



Men<sup>1</sup>



Women<sup>1</sup>



1 of a couple<sup>2</sup>

•1. Society of Actuaries Annuity 2000 Mortality Table, assumes a person is in good health and has reached age 65.  
•2. Society of Actuaries Annuity 2000 Mortality Table, updated to 2015 with Schedule G Adjustments. Figure assumes opposite-sex couple with both persons in good health.



# Know How Much You Can Withdraw Each Year

It's not as much as you might like

4%

5%

~~10%~~

4% guideline when you  
need income for 30 years

**\$500,000**

**x 4%**

---

**\$20,000**

Beginning at 70 ½, you must  
take required minimum  
distributions

**\$500,000**

**÷ 27.4**

---

**\$18,428**



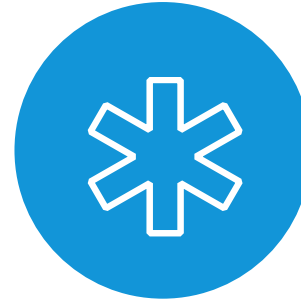
# Other investment and income risks



**Preparing  
for inflation**



**Investing for  
the long-term**



**Anticipating  
health care costs**

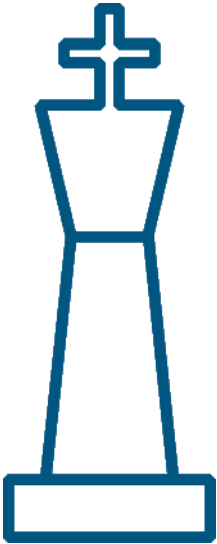


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CALIFORNIA

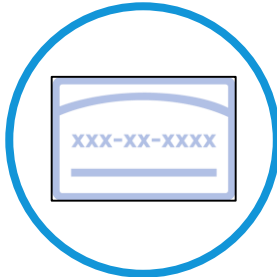


**Stay on track to live the  
retirement you want**

# Your initial plan pulls the pieces together



Risks



Income Sources



Goals



Distributions





# Annual check-ins address current topics



A distribution from a Roth 401(k) is tax free and penalty free, provided the five-year aging requirement has been satisfied and one of the following conditions is met: age 59½, disability, or death.

# Specific Actions Needed at Specific Ages

## 50s—Quick Plan

- Write down best estimates
- “Super save”
- Set up an initial planning session with Fidelity

## 60s—Detailed Plan

- Determine Social Security strategies
- Reassess risk and asset allocation
- Build a detailed financial assessment

## 65+ —Master Plan

- Sign up for Medicare
- Discuss retiree health insurance options with employer
- Prepare portfolio for required minimum distributions

# Next steps



**Attend classes  
available at  
[myUCretirement.com/classes](https://myUCretirement.com/classes)**



**Gather your UCRP  
estimate, UCRSP  
account balances  
and Social Security  
Estimate**

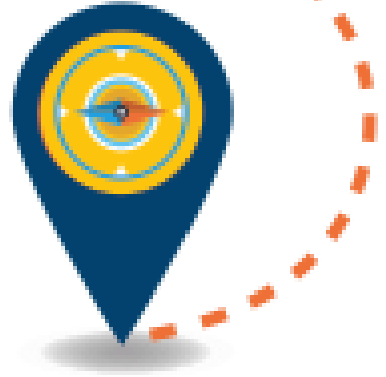


**Read articles on  
income planning at  
[myUCretirement.com](https://myUCretirement.com)**



**Schedule a  
planning session  
in person or over  
the phone  
800-558-9182**





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