

Thanks for joining

Managing life in retirement.

The workshop will start in **10** minutes.



FINANCIAL WELLNESS SERIES

Managing life in retirement

FutureFIT[®] for Life



Presenter Name

Presenter Title

Phone number

Email address



Agenda



1

Take advantage
of time



2

Health and
housing options



3

Manage
your income



4

Estate and
legacy plans



5

Action
steps

Take advantage
of **time**

Take advantage of time



There's still a lot of time ahead of you...

are you spending it the way you want to?

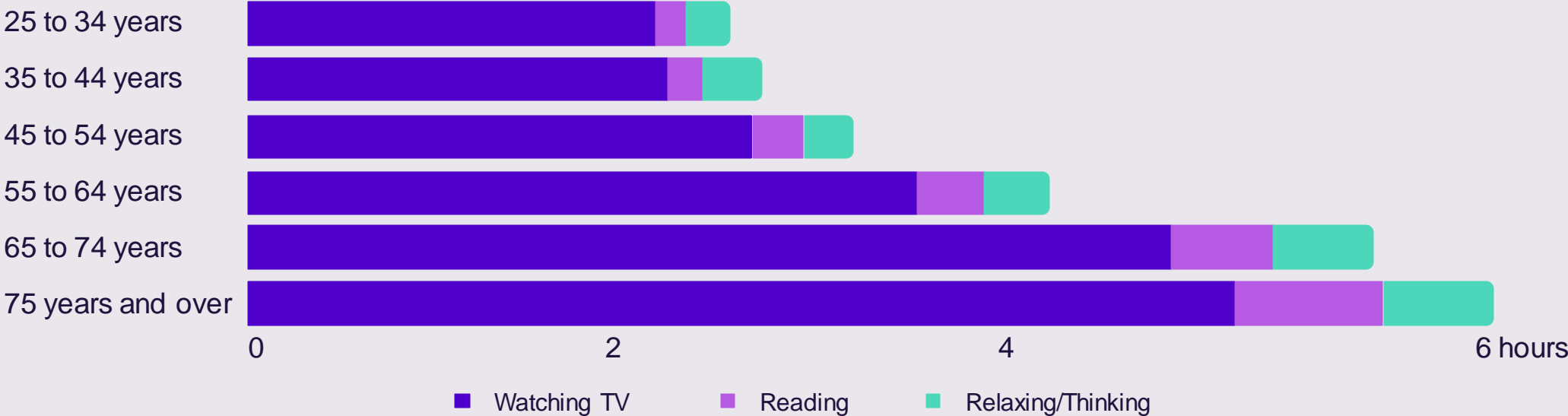


Take advantage of time

It gets easier to stay home and idle as we age

Idle time

Americans spend a great deal more time watching TV as they age



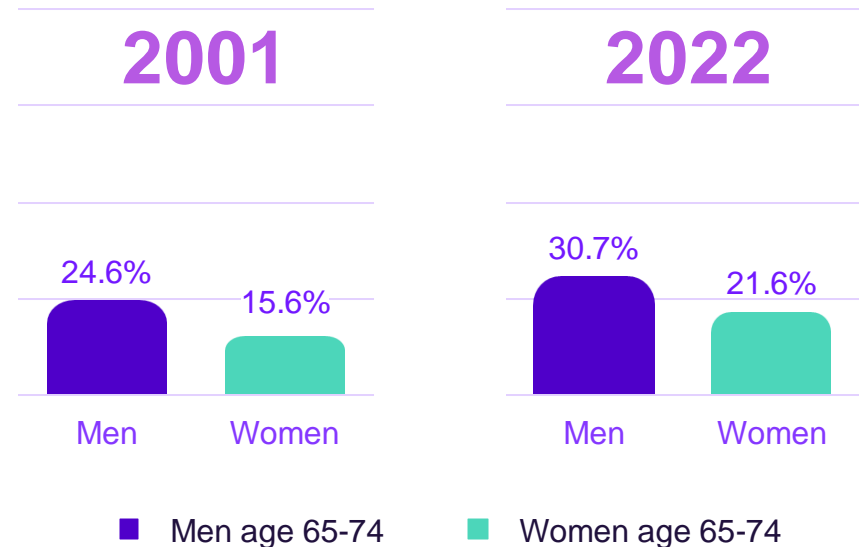
Source: Bureau of Labor Statistics
Bloomberg, More Older Americans Stay on the Job. Working From Home Helps. Tanzi, January 30, 2021,
<https://www.bloomberg.com/news/articles/2021-01-30/more-older-americans-stay-on-the-job-working-from-home-helps>

Take advantage of time

Working after retirement is “a thing”

Working in your Sixties

More than a third of men continue to work in their late 60s



- Of workers age 65 or older, 40% had previously retired.¹
- There are roughly 10 million workers in the 65-and-older crowd, or 17.9% of that age group.¹
- Today, roughly 1 in 5 adults aged 65 and older remain on the job, In the mid 1980s, the ratio was closer to 1 in 10.²

Source: Bureau of Labor Statistics

1. Bloomberg, More Older Americans Stay on the Job, Tanzi, 1/30/2021, <https://www.bloomberg.com/news/articles/2021-01-30/more-older-americans-stay-on-the-job-working-from-home-helps> and Bureau of Labor Statistics; 2. CNBC, Heading back to work after retiring? O'Brien, JUN 20 2021, <https://www.cnbc.com/2021/06/20/how-returning-to-work-after-retiring-impacts-your-financial-life.html>

Take advantage of time

With each passing year, life expectancy gets longer

I'm surprised that I might live well into my 90s!



| Live to | MEN'S Life Expectancy | WOMEN'S Life Expectancy |
|---------|-----------------------|-------------------------|
| 65 | 82 | 85 |
| 75 | 86 | 87 |
| 85 | 90 | 91 |
| 95 | 98 | 98 |

Source: Social Security Period Life Table, 2020, as used in the 2023 Trustees Report. ssa.gov/OACT/STATS/table4c6.html

Health and housing options

Health and housing options

Health issues disproportionately affect older Americans

70%

of Medicare beneficiaries have two or more chronic conditions

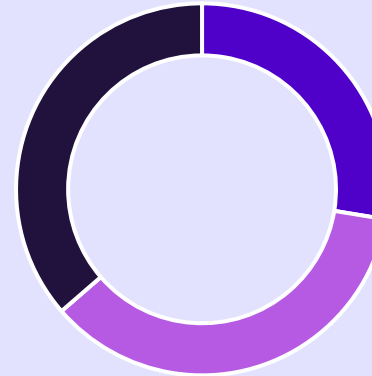
1 in 4

Older adults fall each year

5x

Older adults are 5 times more often hospitalized for fall-related injuries than other injuries

Number and ages of People 65 or Older with Alzheimer's Dementia 2021*



Total: 6.2 Million

- 65-74 years: 1.72 million (27.6%)
- 75-84 years: 2.25 million (36.1%)
- 85+ years: 2.27 million (36.4%)

Created from data from the Rajan et al.^{A1.216}

*Percentages do not total 100 due to rounding.

NCOA, Get the Facts on Healthy Aging, Jan 01, 2021 <https://www.ncoa.org/article/get-the-facts-on-healthy-aging>

Alzheimer's Association, 2023 ALZHEIMER'S DISEASE FACTS AND FIGURES <https://www.alz.org/media/Documents/alzheimers-facts-and-figures.pdf>

Health and housing options

“Medicare” is the health insurance program for those 65 and older

Make sure you have the best combination of parts for your health profile

Part A

- Hospitalization
- Your FICA taxes gain entry
- You pay a deductible if hospitalized

Part B

- Physicians and outpatient services
- You pay a monthly premium to Social Security
- You pay 20% of the costs of care

Part D

- Prescription drugs
- You pay a monthly premium & deductible
- You pay for the cost of your drugs in various tiers

Supplemental Insurance

- Covers your share of Part A and Part B
- Choose Medigap or Medicare Advantage options

Health and housing options

Where to live?

Same place

- Community and comfort
- Logistics work
- Don't like change

Somewhere new

- Looking for adventure
- Willing to explore
- Want a warmer climate
- Move closer to grandchildren

International

- Want more adventure
- Going to help parents
- Looking for more affordable living

Health and housing options

Where to live – if and when you need assistance

01

Make your decisions so loved ones don't have to

02

Think about gradual downsizing

03

Are you willing to relocate to be nearer family?

04

What are your expectations for help from your children?

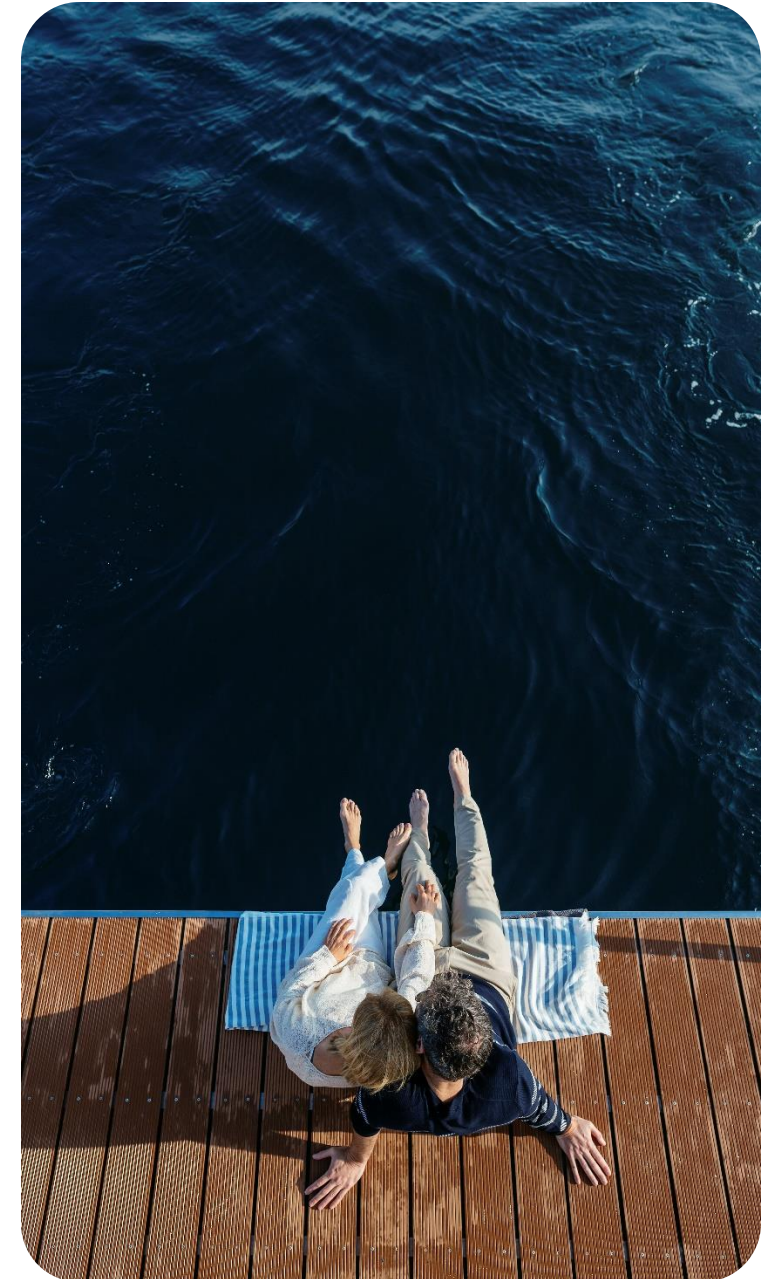


I don't know
if I would be able to
help my aging parents?

Health and housing options

Make plans for aging solo

- Where will you find your support network?
- When will you move to a living arrangement?
- Who are your most trusted friends to rely on?
- How are you planning for the first to die?
- Where will the surviving spouse live?
- What arrangements are in place for the surviving spouse and their network?



Health and housing options

Continuing Care Retirement Communities and other retirement living options

CCRCs

- Provide “step up” health care as needed
- Start with independent living: house or apartment
- Initial entry price: \$330,000+
- Monthly fees: \$2,000 - \$4,000+

55+ Residential Communities

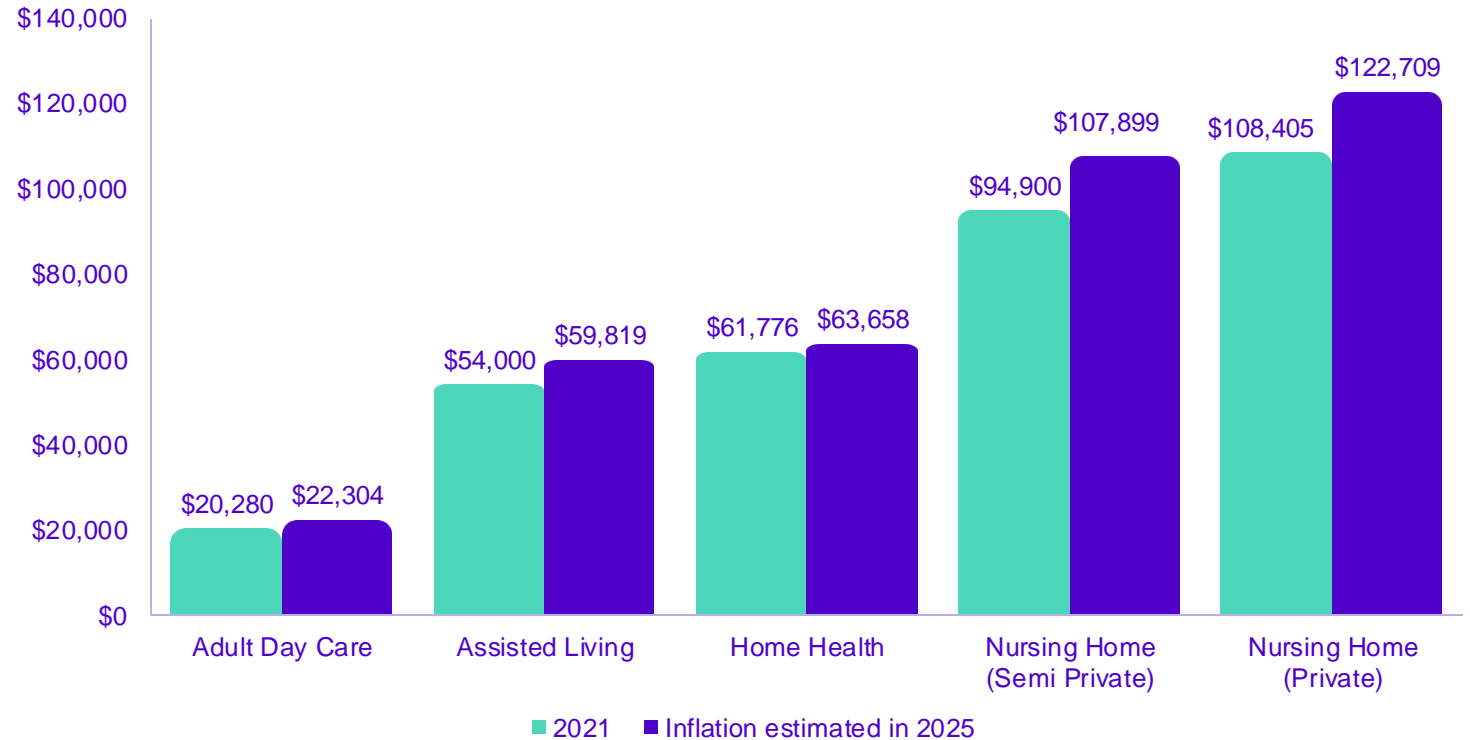
- Buy or rent your own home
- Many social groups and activities
- Health club facilities
- No assisted living or health care support
- Prices typical of local area housing, plus HOA fees

AARP, How Continuing Care Retirement Communities Work, January 2022 <https://www.aarp.org/caregiving/basics/info-2017/continuing-care-retirement-communities.html>

Health and housing options

The cost of long-term care

This chart shows the median annual cost for long-term care across the United States in 2021 at different centers of care and annual cost at an assumed 3% inflation rate.



Sources: Cost of Long Term Care Survey, Genworth Financial, 2020.

Manage your income

Manage your income

How can we invest?



Individual investor

- Manages own money
- Fully educated on the stock market and other investments
- Trades mainly via internet



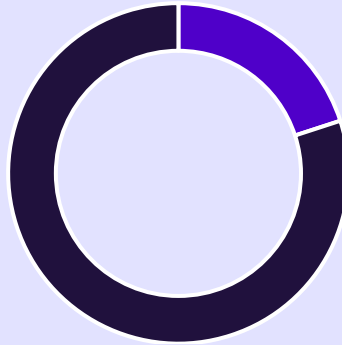
Managed account

- Managed by a financial consultant
- Services offered:
 - Investment planning
 - Search and selection
 - Portfolio management
 - Trade execution

Manage your income

Is your “nest egg” doing double-duty for your retirement income?

A portion needs to generate sustainable income for a planning outlook of 30+ years

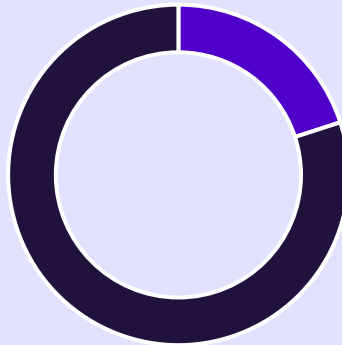


80% stocks
20% bonds

Historical Risk/return (1926-2021)

| | |
|-----------------------|----------|
| Average annual return | 11.1% |
| Best year (1982) | 45.4% |
| Worst ever (1931) | -34.9% |
| Years with a loss | 24 of 96 |

The other portion needs to stay invested for potential growth over a long period to beat inflation and deliver future income



20% stocks
80% bonds

Historical Risk/return (1926-2021)

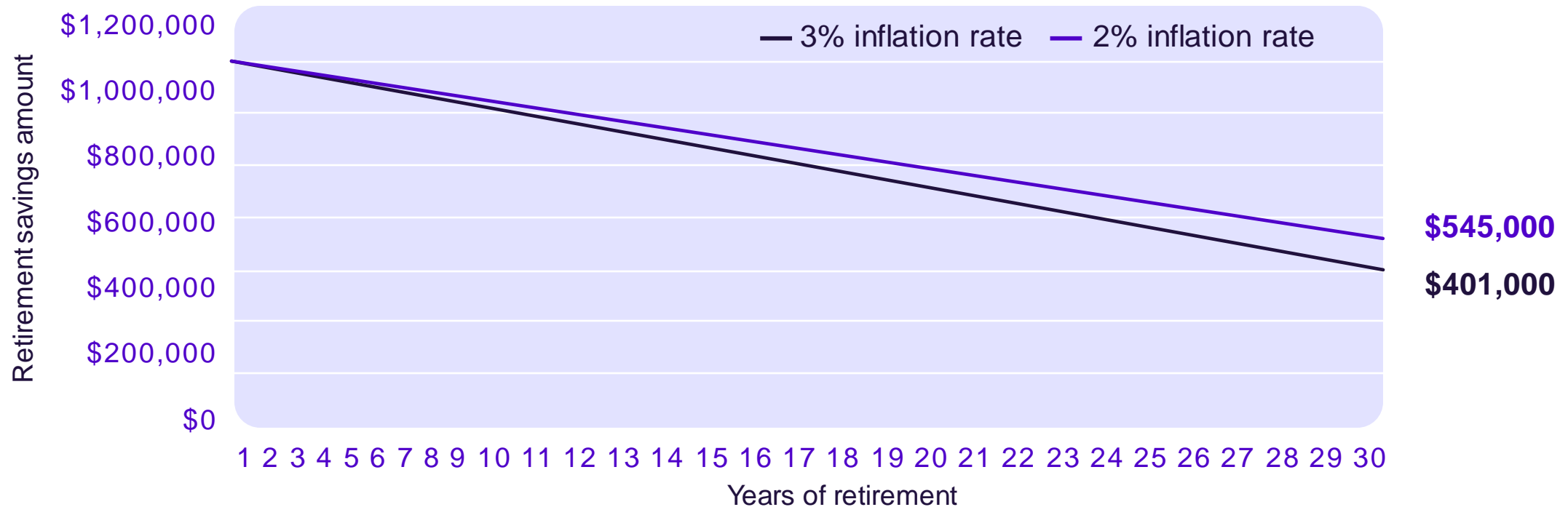
| | |
|-----------------------|----------|
| Average annual return | 7.5% |
| Best year (1982) | 40.7% |
| Worst ever (1931) | -10.1% |
| Years with a loss | 16 of 96 |

Source: <https://investor.vanguard.com/investing/how-to-invest/model-portfolio-allocation>

Manage your income

Understand how inflation decreases your buying power over time

Declining purchasing power during retirement



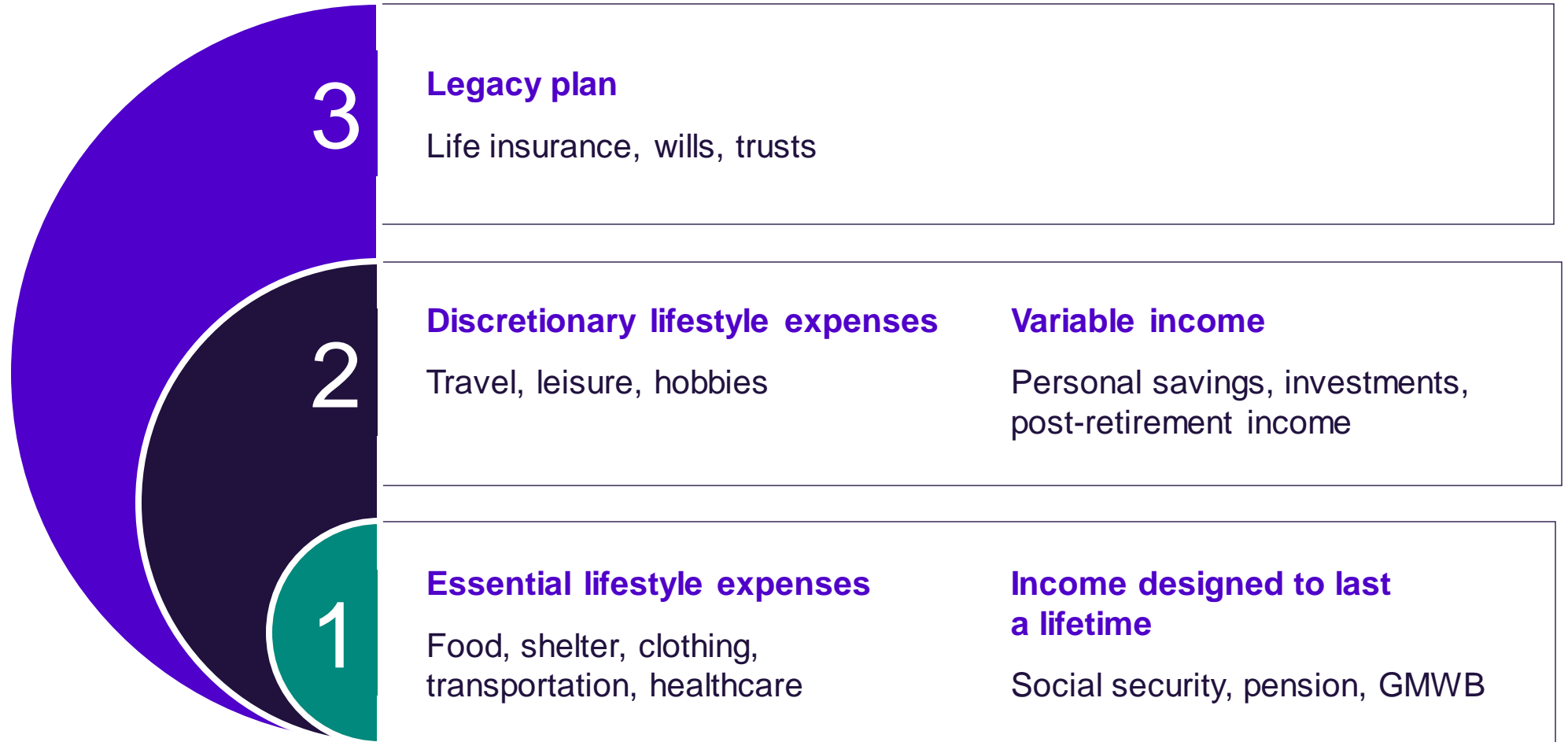
Hypothetical example for illustrative purposes only. It shows a starting value of \$1,000,000 declining at 2% or 3% inflation for 30 years

Manage your income

Help increase
future benefits



Essential
income
planning



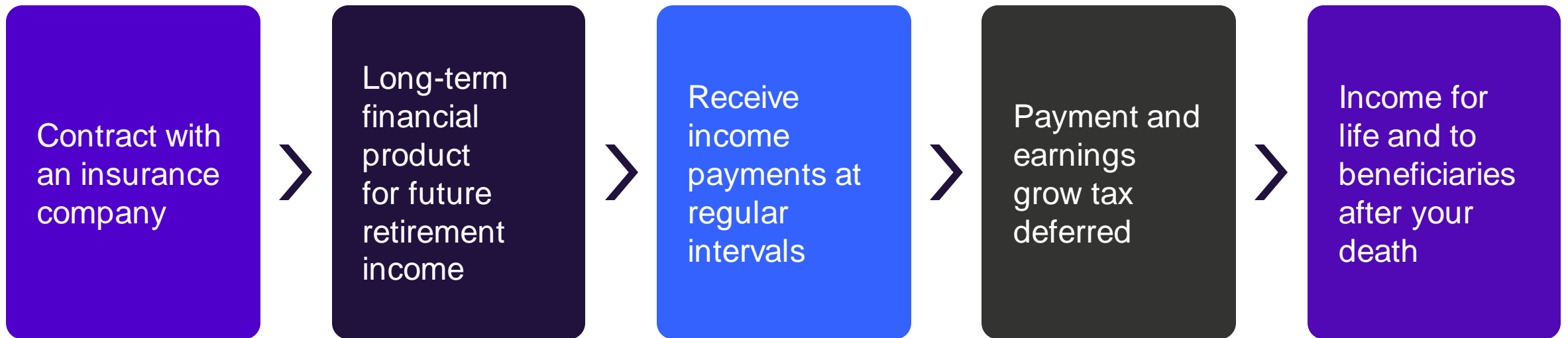
Annual income needs

Funding sources

Manage your income

Annuities

An option to turn assets into income you'll never outlive



Guarantees are backed by the issuing insurance company's claims-paying ability

Manage your income

Worried about market downturns?

Consider an annuity with a lifetime guaranteed minimum withdrawal benefit (GMWB)

1

Purchased to ensure payments never fall below the amount guaranteed by your contract



2

Contract terms, payout options, fees and investment/age restrictions vary



3

Features may include lifetime income at a set annual percentage



4

If your account value increased in a bull market, you would not need to use the rider

Withdrawals in excess of permitted free amounts may be subject to early withdrawal charges. Withdrawals are also subject to taxation as ordinary income. Guarantees are backed by the claims-paying ability of the issuing insurance company. A 10% federal early withdrawal tax penalty may apply if taken before age 59 1/2.

Manage your income

Required Minimum Distributions begin at 73 (age 72 if you were born after June 30, 1949 and before January 1, 1951 & age 70½ if you were born before July 1, 1949)

01

IRS requires you to begin taking a certain amount of money from tax-deferred accounts

02

If you do not, a 50% penalty is applied

03

All accounts are subject to RMD rules:
Traditional IRAs, 401(k), 403(b), SEP, SIMPLE, etc.

04

If you are working at a company with an employer plan, you may delay RMDs on that account only



How do I figure out my RMD amount?

Manage your income



When to start taking benefits?

It depends on your circumstances

01 Other sources of retirement income

02 Anticipated financial needs

03 Future Social Security benefit amount

04 Plans to work in retirement

05 Your health and family longevity

06 Your current cash needs

Manage your income

Options for collecting benefits



The options for collecting are not intended to encourage a particular choice.
Analyze your individual situation and seek guidance from a financial professional.

Manage your income

Collect early



Social Security benefits can start at age 62, but will be reduced by as much as 30%

Reasons

- Illness or unemployment
- You have a short life expectancy
- You need the money immediately to make ends meet

Pro

- You would collect income over a longer period of time

Cons

- Your monthly Social Security benefit amount would decrease
- You will be penalized if you continue working and earn over allowed maximum amount

Manage your income

Collect at Full Retirement Age (FRA)



Receive 100% of
Social Security
benefits

Reasons

- You can afford to wait until FRA to begin receiving benefits
- You are in good health and expect to live long past your FRA

Pro

- You receive 100% of your Social Security benefits
- You add more earnings to your work record

Cons

- You forego an even larger monthly benefit by not waiting longer

Manage your income

Collect after Full Retirement Age (FRA)



Benefits will increase by up to 8% per year

Reasons

- You need the maximum monthly benefit to meet your expenses
- You are in good health and expect to live long past your FRA

Pro

- Your benefit payments would increase each year, depending on your year of birth
- Increases end after you reach age 70, even if you continue to delay taking benefits

Cons

- You could receive benefits for a shorter period of time, depending on longevity

Source: Social Security Administration; ssa.gov.

Manage your income

Your Social Security will likely be reduced if you receive a PUBLIC pension

01

WEP — Windfall Elimination Provision reduces your own worker benefits amount

02

GPO — Government Pension Offset reduces your spousal and survivor benefits

03

If you receive a pension and also paid into Social Security, reductions do not apply – public or private pensions

Estate and legacy plans

Estate and legacy plans

An “estate plan” is for everyone – not just the wealthy

- Health Care Proxy
- Medical Directives
- Incapacity Plans
- Living Will
- End of Life Wishes
- Funeral Plans
- Beneficiary Designations
- Will
- Power of Attorney
- Trusts
- Special Needs
- Gifting Instructions



I didn't realize there were so many parts to an estate plan!

Estate and legacy plans

Your legacy is about your family treasures and your values – who should be the next generation keepers of your traditions?

- Values
- Digital Assets & Identity
- Photos
- Heirlooms
- Mementos
- Jewelry/Valuables
- Collections



Estate and legacy plans

Talk to your children and other trusted confidants

- Bring your adult children or a trusted person into the conversation
- Talk to your executor to ensure they can handle the role
- Use a professional if you are more comfortable
- Think about who should handle your health decisions vs. your financial decisions



Action

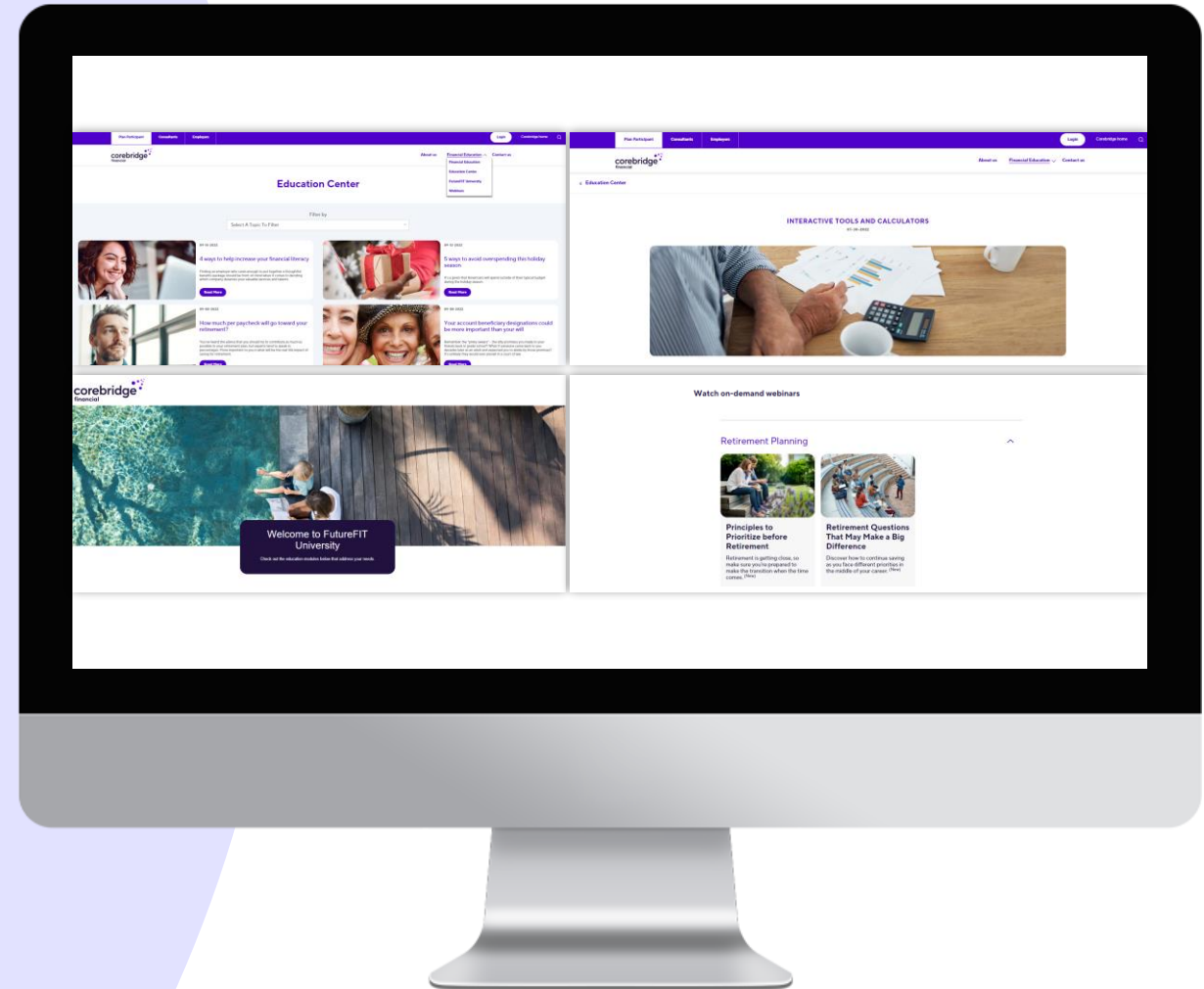
steps

Action steps

Read, watch,
calculate and participate



I start with articles
and other online
education...



Action steps

Information about estate planning



**Estate planning:
Not just for the wealthy**



**Beneficiary designation:
5 Critical mistakes to avoid**

Estate Tax Planning Calculator

Estate tax planning is very important to preserving your wealth for future generations. Knowing your potential estate tax liability is a great place to start your estate tax plan. Use this calculator to project the value of your estate, and the associated estate tax, for the next ten years. This calculator uses the rules passed into law as part of the "American Taxpayer Relief Act of 2012." **Please be aware that certain estate planning documents, which are beyond the scope of this calculator, may be necessary in order for assets to be distributed according to your wishes.**

[CALCULATE](#) [VIEW REPORT](#)

Your heirs may receive \$0 after taxes & expenses.

*Indicates required.

Marital status, gifts and charity:

- Charitable contributions: * \$0 (0% to 50%)
- Used gift exemption: * \$0 (0% to 50%)
- Married: if you are married, check here
- Transfer to spouse: * \$0 (0% to 50%)
- Inflation rate: * 2.9% (0% to 12%)

Assets and Life Insurance: \$0

Liabilities & Expenses: \$0

Action steps

Series of articles about living longer in retirement



Adjusting retirement savings to accommodate increased longevity



Planning and paying for healthcare in retirement



**Want a fabulous retirement?
Start living better now**

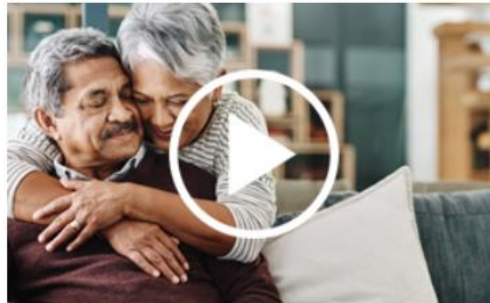
Action steps

On-demand webinars are a good way to get more detailed information



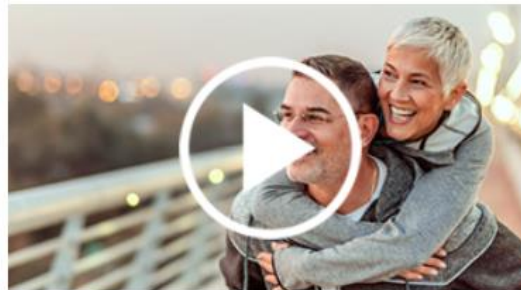
Social Security and Your Retirement

Takes an in-depth look at Social Security benefits and provides insights on estimating your benefits, tax implications, Medicare and the impact of working while receiving Social Security benefits.



Risk Management

Find out how to identify and manage risk using different types of insurance such as home, auto, life and more.



Your Life in Retirement

Find out more about managing your income during retirement.

Action steps

Retirement Pathfinder®

Get answers to your questions:

- Can I retire when I planned?
- How much monthly income will I need?
- Am I currently saving enough?
- Is it possible to guarantee my retirement income?
- Will I outlive my retirement savings?
- What happens if I die prematurely?



Action steps

TEXT XXX-XXX-XXXX

Your Name

Worksite Name

Enroll

Review or

Retire



Action steps

Schedule an appointment today!

- Sign up to benefit from personal attention and get answers to help you plan for a more secure financial future
- Visit our website at corebridgefinancial.com/rs/register
- Enter this Registration Code: [REGISTRATION CODE]



Financial Professional Name

[Financial Professional Phone]
[Financial Professional Email]

Financial Professional Name

[Financial Professional Phone]
[Financial Professional Email]

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Annuities are issued by **The Variable Annuity Life Insurance Company**, Houston, TX.

Securities and investment advisory services offered through VALIC Financial Advisors, Inc., member FINRA, SIPC and an SEC-registered investment adviser. VALIC Retirement Services Company provides retirement plan recordkeeping and related services and is the transfer agent for certain affiliated variable investment options.

All companies above are wholly owned subsidiaries of Corebridge Financial, Inc.

Corebridge Retirement Services, Corebridge Financial and Corebridge are marketing names used by these companies. Learn more about our affiliated companies: corebridgefinancial.com/names.



Thank you



Presenter Name

Presenter Title

Phone number

Email address