# Your Retirement Income Planning Road Map

## Your retirement income plan should consider:

1. Income to help a retirement plan succeed
2. Growth potential to meet long-term needs
3. Flexibility to refine your plan over time

### Start the Conversation

- When would you like to retire?
- Where would you like to live?
- How would you like to spend your time?
- What will an average day in your retirement look like?

START

### Did You Know?

Fidelity suggests a **15% yearly savings rate.**[1]

### In your 50s consider ...

- Envisioning your retirement lifestyle
- Designing your plan (including sources of income)
- Making 401(k) and IRA catch-up contributions
- Reviewing your current asset mix
- Reviewing future guaranteed lifetime income sources

### At age 55 consider ...

- Making catch-up contributions to health savings accounts (HSAs)

**>23%**
**of today's baby boomers are choosing to continue to work,** either part time or full time, beyond age 65.[2]

### In your 60s consider ...

- Refining your plan
- Determining Social Security strategies (for you and your spouse)
- Reassessing your risk profile and asset mix
- Building a detailed financial assessment
- Reviewing your health care strategy
- Reviewing guaranteed lifetime income sources*

### Retired before age 65?

If you are retiring before you're 65 and don't have access to retiree health care coverage from your employer, there are four main ways to obtain health care coverage to help bridge the period between retirement and Medicare:

- COBRA coverage
- Spouse's plan
- Public marketplace
- Private insurance

### Age 65 and over consider ...

- Implementing your plan
- Medicare eligibility
- Implementing your Social Security strategy
- By age 67, Fidelity suggests you have at least 10x your ending salary put away for retirement expenses[1]

### At age 72 consider ...

- Taking required minimum distributions

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### Did You Know?

After you take your first required minimum distribution (RMD), your deadline will always be December 31 each year. If you miss the deadline your penalty may be severe—**50% of the amount not taken on time.**

## Help Close the Gap

**Identify your personal and financial goals in retirement.** Write them down and revisit them during annual reviews with your financial representative or at the time of any major life event.

**Consider estimating your expenses.** Divide your estimated expenses into essential and discretionary. Add a buffer for unexpected costs that may arise.

- ☐ Housing
- ☐ Transportation
- ☐ Food
- ☐ Health care

**Consider creating your own retirement income planning road map.** Building a road map to ensure you have enough money to maintain the lifestyle you desire should include strategies for:

- ☐ Guaranteed income to help your retirement plan succeed
- ☐ Growth potential to meet long-term needs
- ☐ Flexibility to refine your plan over time

**Decide when to take Social Security.** Work with your financial representative to make a plan to help maximize benefits.

- ☐ Know your full retirement age
- ☐ Assess tax implications to your benefits depending on your income level
- ☐ Understand any impact on benefits due to marital status

**If you enter retirement earlier than expected,** review your retirement income road map with your trusted financial representative and understand where you may need to recalibrate.

Even the most carefully thought-out plans may change. That's why it's important to recognize that many retirement planning decisions are interconnected. Talk to your financial representative to test your plan for completeness.



* Guaranteed income may include Social Security, pensions, and annuities. Annuity guarantees are subject to the claims-paying ability of the issuing insurance company.

[1] Fidelity has developed a series of salary multipliers in order to provide participants with one measure of how their current retirement savings might be compared to potential income needs in retirement. The salary multiplier suggested is based solely on your current age. In developing the series of salary multipliers corresponding to age, Fidelity assumed age-based asset allocations consistent with the equity glide path of a typical target date retirement fund, a 15% savings rate, a 1.5% constant real wage growth, a retirement age of 67, and a planning age through 93. The replacement annual income target is defined as 45% of pre-retirement annual income and assumes no pension income. This target is based on Consumer Expenditure Survey 2011 (BLS), Statistics of Income 2011 Tax Stat, IRS 2014 tax brackets, and Social Security Benefit Calculators. Fidelity developed the salary multipliers through multiple market simulations based on historical market data, assuming poor market conditions to support a 90% confidence level of success.

[2] Source: The United States Department of Labor, Bureau of Labor Statistics, "The Employment Situation," December, 2017.




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