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RETIREMENT MATTERS SERIES
DISTRIBUTIONS FROM
RETIREMENT PLANS



RITTENHOUSE
FINANCIAL PLANNING



RETIREMENT MATTERS SERIES

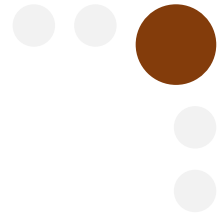
Rob Rittenhouse, CFA

Rittenhouse Financial Planning

Securities and advisory services offered through LPL Financial, a Registered Investment Advisor, Member FINRA/SIPC



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RETIREMENT INCOME SOURCES

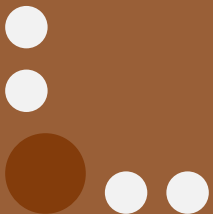
**Savings
& Investments**

401(k) & 403(b)

Social Security

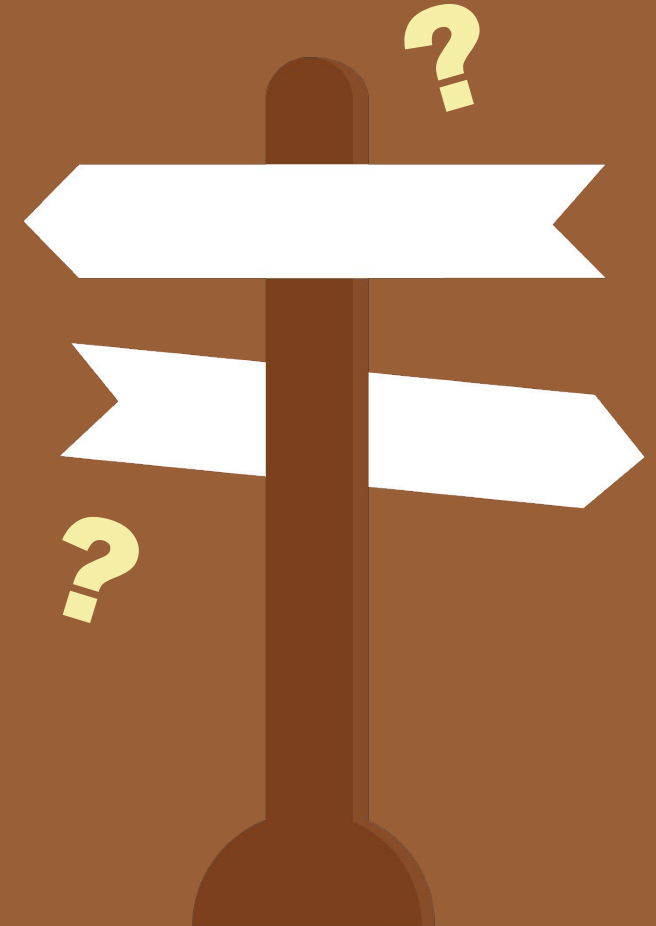
Traditional IRA

Roth IRA



DISTRIBUTION DECISIONS

- **What to take first**
- **How to take distributions**
- **Investment strategies**
- **Rules to remember**
- **Benefits and beneficiaries**

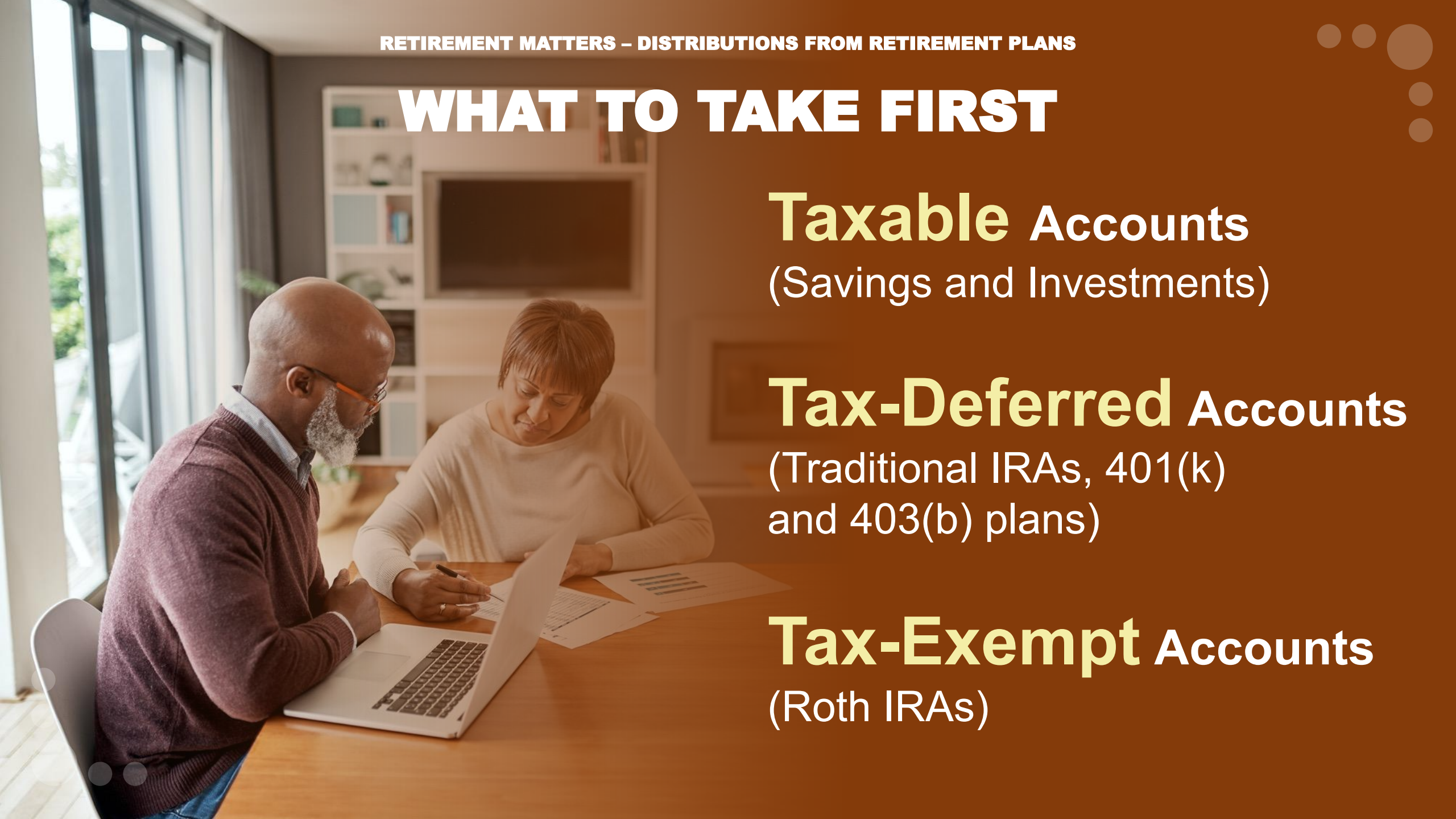


WHAT TO TAKE FIRST

Taxable Accounts
(Savings and Investments)

Tax-Deferred Accounts
(Traditional IRAs, 401(k)
and 403(b) plans)

Tax-Exempt Accounts
(Roth IRAs)



WHAT TO TAKE FIRST

1

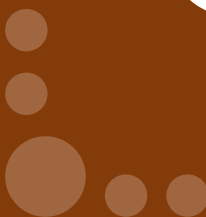
Taxable
Accounts

2

Tax-Deferred
Accounts

3

Tax-Exempt
Accounts



HOW TO TAKE DISTRIBUTIONS

Option 1 Leave it alone

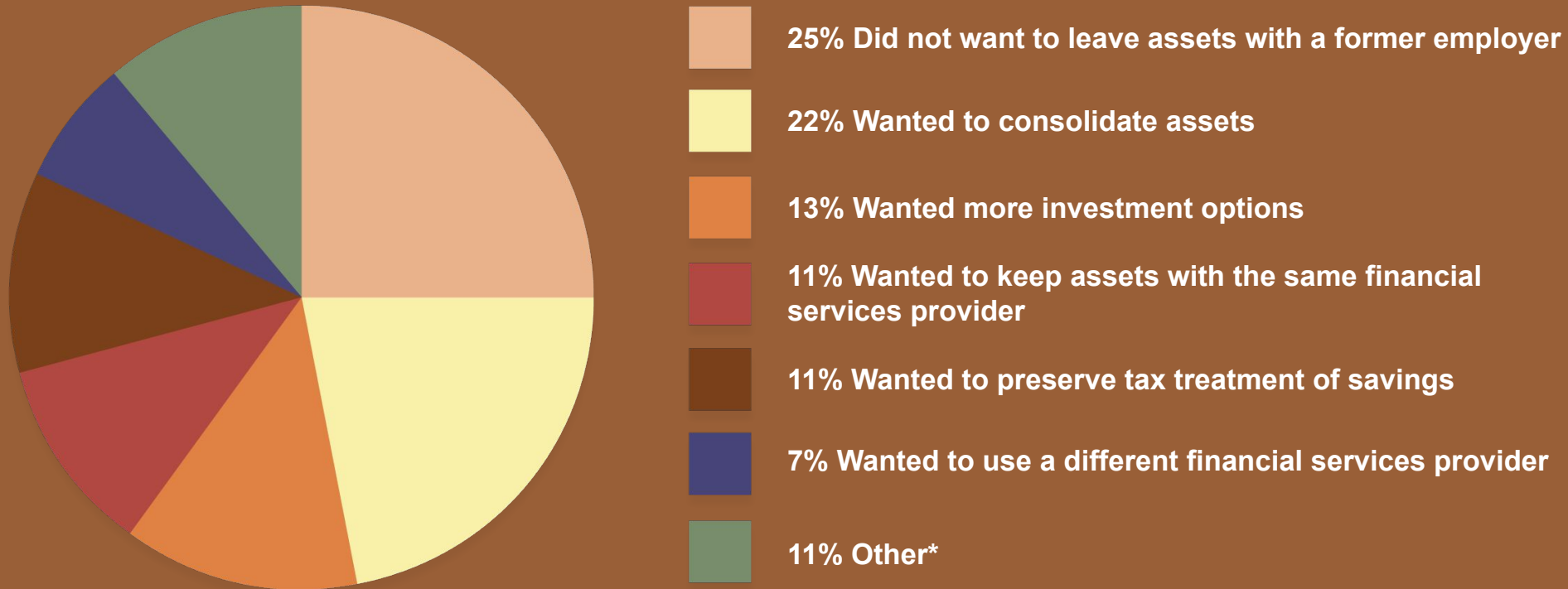
Option 2 Lump Sum

Option 3 Rollover

Option 4 Annuity

Option 5 Combination

WHY CHOOSE AN IRA ROLLOVER?



57% of owners used a rollover to help fund their traditional IRA

ICI.org, 2022. *Other includes: Were told by a financial professional to roll over assets, Thought it was easier to roll over assets to an IRA than into the new employer's plan and Wanted the same investments that were in a former employer's plan.

INVESTMENT STRATEGIES

Protecting Principal

- Certificates of Deposit
- Money market funds

Generate Income

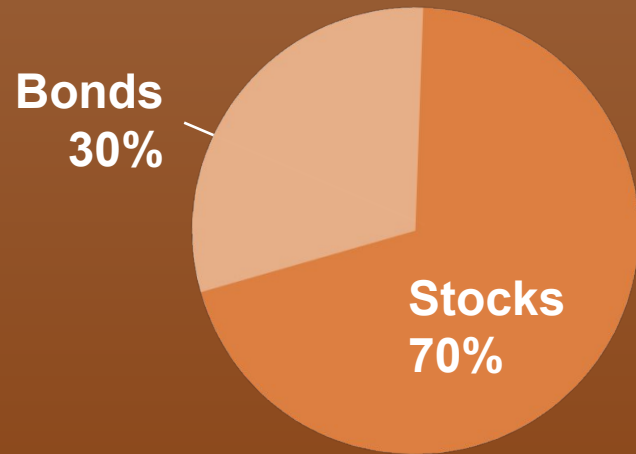
- Individual bonds
- Income-oriented mutual funds
- Fixed Annuities

Growth Potential

- Individual stocks
- Growth-oriented mutual funds
- Variable annuities

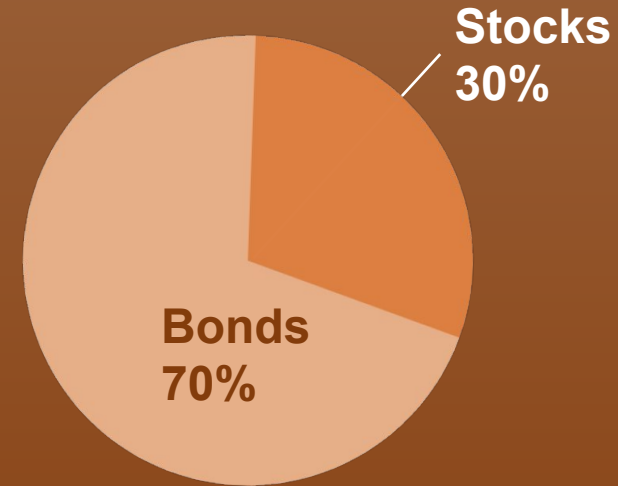
Mutual funds and variable annuities are sold only by prospectus. You should consider the charges, risks, expenses, and investment objectives carefully before investing or entering a contract. A prospectus containing this and other information about the investment company or insurance company can be obtained from your financial professional. Read it carefully before you invest or send money.

INVESTMENT STRATEGIES



Aggressive Portfolio

Best Year	41.1%
Worst Year	-30.7%
Average	9.4%
Years with a loss	23 of 95



Conservative Portfolio

Best Year	38.3%
Worst Year	-14.2%
Average	7.7%
Years with a loss	18 of 95

Source: Vanguard.com, 2022

Past performance does not guarantee future results. Actual results will vary.

STRATEGY #1 MUTUAL FUNDS

Mutual Fund Types

- Equity funds
- Fixed-income funds
- Money market funds

Pros

- Diversification
- Professional Management
- Convivence
- Liquidity

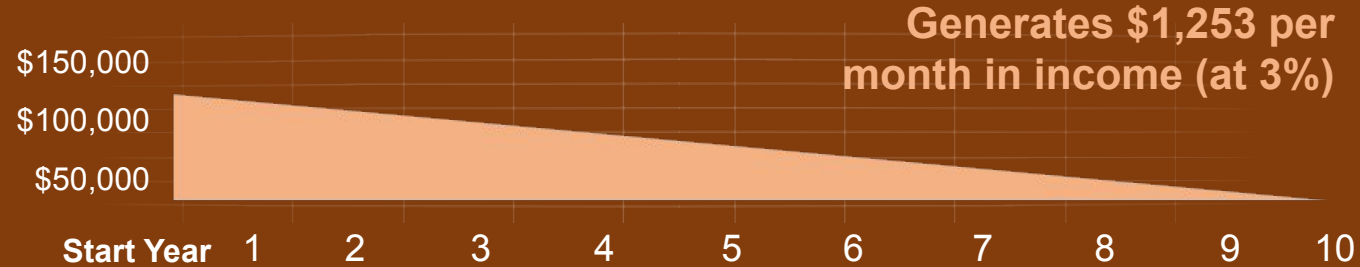
Cons

- Management fees
- Taxes

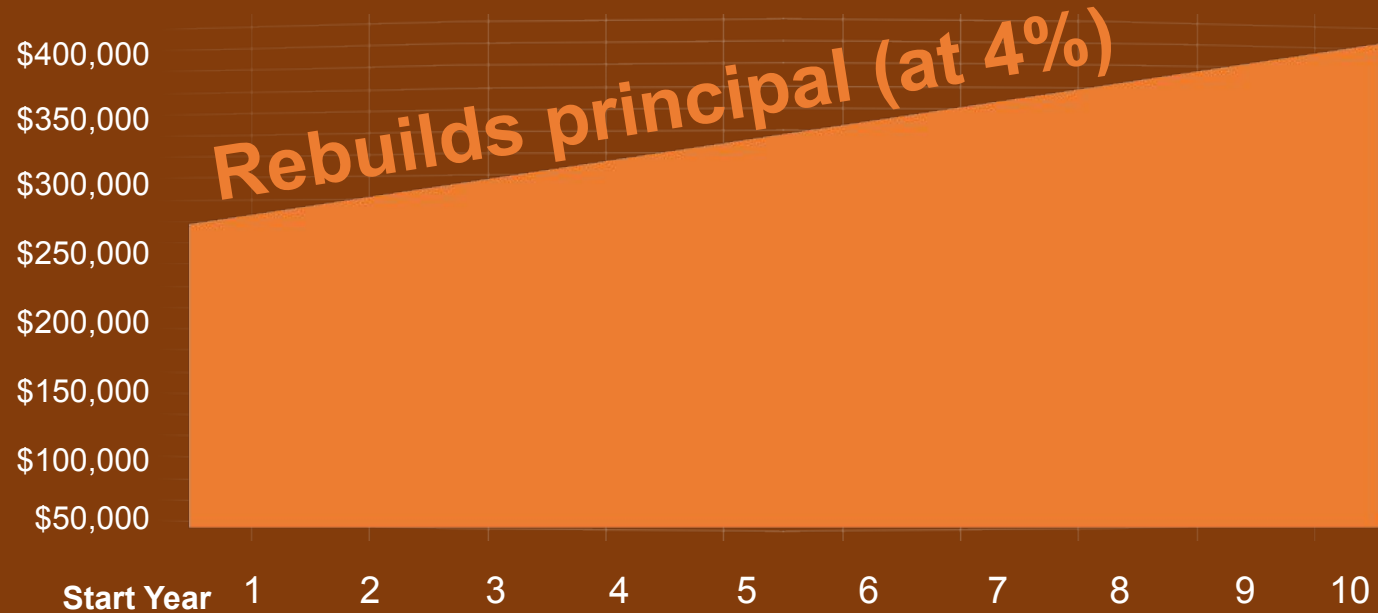
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STRATEGY #2 SPLIT ANNUITIES

\$129,774



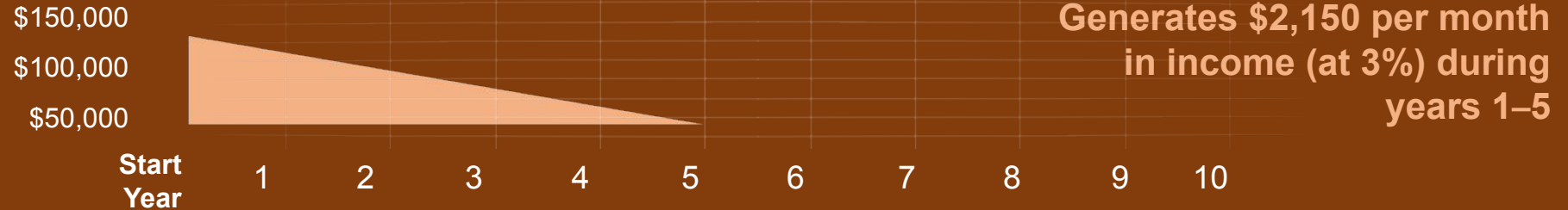
\$270,226



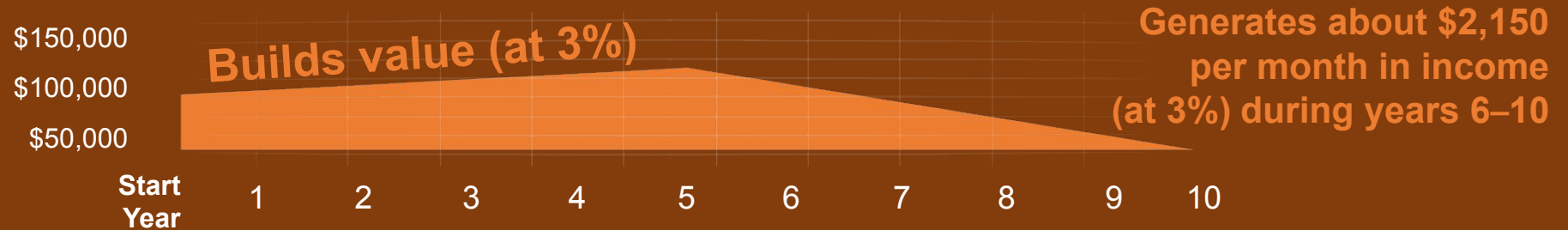
STRATEGY #3 COMBINATION

\$400,000 divided into **three** pools

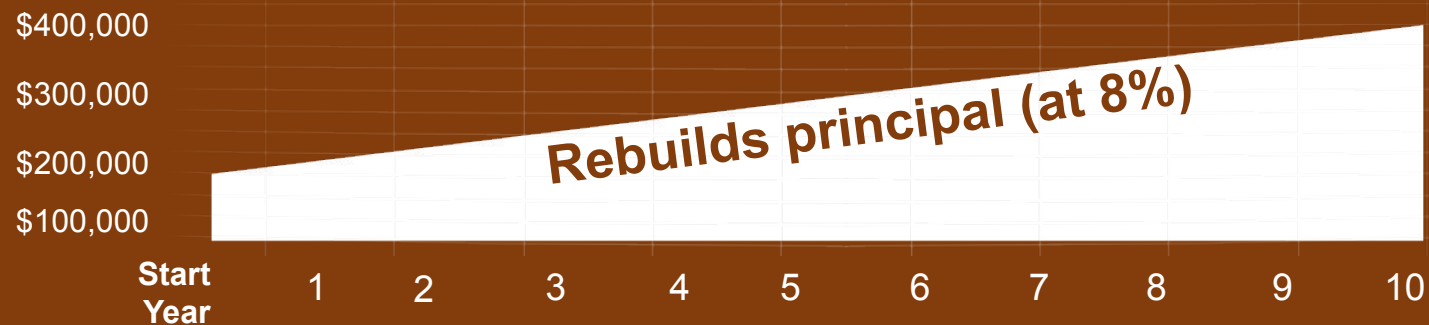
\$119,653



\$100,138



\$180,209



This is a hypothetical example used for illustrative purposes only. It is not representative of any specific investment or combination of investments. Past performance does not guarantee future results. Actual results will vary.

RULES TO REMEMBER



Required Minimum Distributions

- Age 72
- Based on age, account value, and life expectancy

Excess Accumulation Penalty

- 50% of amount not distributed as required

MORE RULES TO REMEMBER

**Age
59^{1/2}**



Exceptions to rule

- Unreimbursed medical expenses
- Disabled
- Higher education expenses
- Buy or build a first home

BENEFITS AND BENEFICIARIES

- **Naming your spouse as beneficiary**
- **Naming someone other than your spouse as beneficiary**

Source: SSA.gov, 2022



WHEN SHOULD YOU BEGIN TAKING SOCIAL SECURITY BENEFITS?

Age Matters

Age 62	\$2,364/mo.
Age 67	\$3,345/mo.
Age 70	\$4,194/mo.

DISTRIBUTIONS FROM RETIREMENT PLANS



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+ THANK YOU!



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