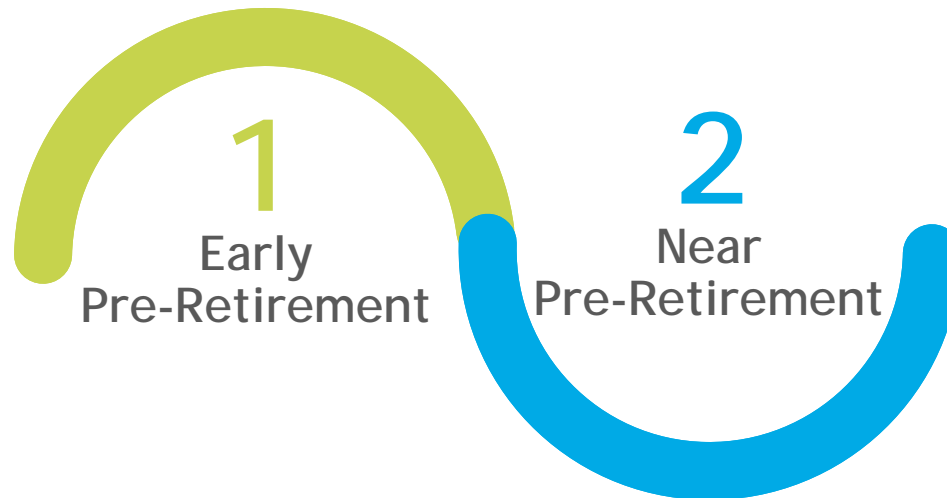




RETIREMENT STRATEGIES

CREATING YOUR PLAN

Stages in Planning



YMCA Retirement Fund
Retirement Strategies: Creating Your Plan



THINGS TO KNOW

Topics

- | What am I retiring to?
- | Where will I get my income?
- | What are some common expenses?
- | Workplace transition and estate planning
- | Now what?



DREAMS



CONCERNS



Stages in Retirement

Honeymoon



YMCA Retirement Fund
Retirement Strategies: Creating Your Plan

Retirement Facts

17% of population
Is age 65+

1 in every 5
Will be 65+ by 2030

Retirement Realities



70% No Decline or Feeling Better



60% Report Less Stress as They Age



15% Age 80+ Still Volunteer

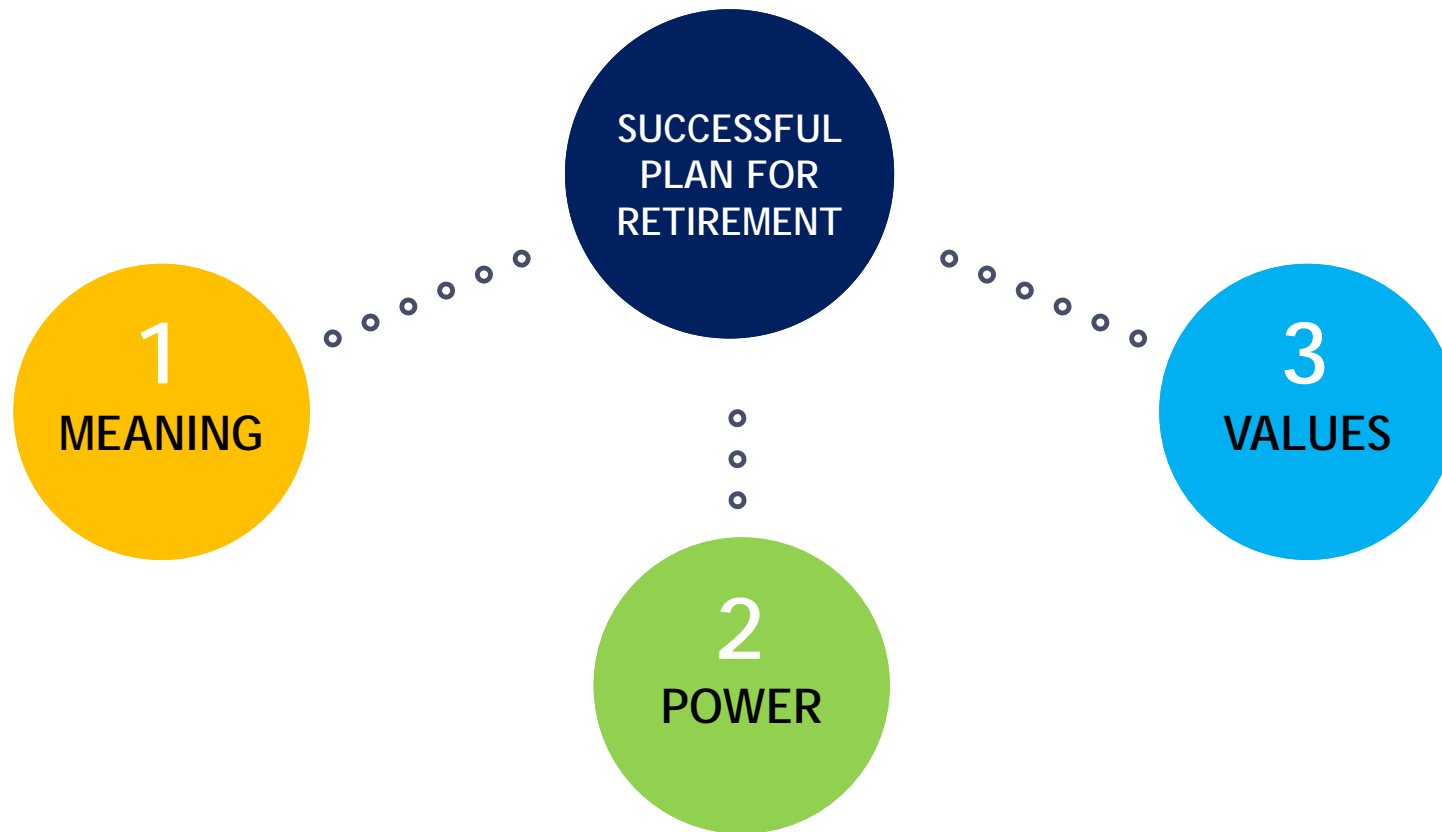


50% Live to Mid Eighties



24% Receive 2+ Years of LTSS

So, What is Your Life Plan?



YMCA Retirement Fund
Retirement Strategies: Creating Your Plan

Another Retirement Fact

47%

Retire earlier than planned

74% of this group is due to loss of job, inability to perform job or health issue for self/loved one

Projected Monthly Income

Housing Expenses

Transportation

Medical and Health

				
Retirement Budget Worksheet				
Projected Monthly Income	Both Retired	A Retired, B Working	A Survives	B Survives
Retirement Fund Annuity				
Social Security				
Other Income _____				
Total Projected Monthly Income				
.....				
Projected Monthly Expenses	Both Retired	A Retired, B Working	A Survives	B Survives
Housing				
Mortgage/rent/condominium fees				
Property taxes				
Home/renter's insurance				
Cable/internet				
Utilities (electric, gas, waste)				
Water and sewer				
Telephone/cell phone				
Maintenance/home improvement				
Other (for e.g., gardening) _____				
Subtotal				
Transportation				
Car purchase/lease payments				
Auto Insurance and taxes				
Maintenance/repairs				
Registration and license renewals				
Fuel				
Public transportation/taxi fare				
Other (for e.g., car rental) _____				
Subtotal				
Medical and Health				
Health Insurance				
Life Insurance				
Long-term care insurance				
Co-pays				
Dental				
Vision or hearing				
Medications/medical supplies				
Other (for e.g., Nurse's aid) _____				
Subtotal				

Gifts and Donations →

Food Expenses

Family Care and Support

Entertainment

Loans and Debt Servicing

Taxes

Surplus or Shortage }

Projected Monthly Expenses	Both Retired	A Retired, B Working	A Survives	B Survives
Gifts and Donations				
Charitable contributions/gifts				
Other (for e.g., Church) _____				
Subtotal				
Food				
Groceries				
Dining Out				
Other (for e.g., water cooler rental) _____				
Subtotal				
Family Care and Support				
Adult and/or child family member care				
Clothing				
Personal Care				
Animal Care/pet expenses				
Other (e.g., kids activities) _____				
Subtotal				
Entertainment				
Travel/vacations/time share				
Movies/concerts/live events				
Hobbies				
Membership dues (social/professional)				
Other (for e.g., ski lift tickets) _____				
Subtotal				
Loans and Debt Servicing				
Credit Card				
Personal				
Other (e.g., student loans) _____				
Subtotal				
Taxes				
Federal income tax				
State income tax				
Local/other taxes				
Subtotal				
All Other Expenses				
Other (e.g., tax prep fees) _____				
Subtotal				
Total Projected Monthly Expense				
MONTHLY SURPLUS OR SHORTAGE				
	Both Retired	A Retired, B Working	A Survives	B Survives
Total Projected Annual Income				
Total Projected Annual Expense				
ANNUAL SURPLUS OR SHORTAGE				

Sources of Income

| Where will it come from?

- YMCA Retirement Fund
- Other Personal Income
- Social Security/Work?

The YMCA Retirement Fund

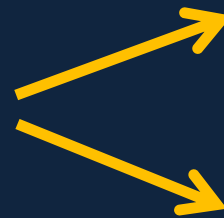
- Incorporated in 1921
- 501(c)(3) Church Pension Fund
- \$8+B portfolio managed by the Fund's highly qualified investment staff
- Account balances have never gone down
- Account balances are credited with daily compound interest
- Lifetime annuity payments have never been missed

What is an Annuity?

How do I
manage my
money?

What if I
outlive my
money?

What if I
overspend
my money?



FOR-PROFIT
INSURANCE
COMPANY



YRF
NON-PROFIT
PENSION PLAN

YRF Accounts

401(a) Retirement Plan

- YMCA Account*
- YMCA Account (Legacy)*
- Personal Account

- Additional YMCA Account
- Special Add YMCA Account
- Extra Add YMCA Account
- After-Tax Account

403(b) Savings Plan

- Tax-Deferred Account
- Rollover Account
- Roth Account
- Roth Rollover Account

**May not have to be annuitized*

Annuity Options

Single Life Annuity

Guaranteed
payments for the
rest of your life

OPTION M

Maximum (pays you for life)

OPTION C

Principal Guarantee (if you
die before you receive an
amount equal to your
balances, pays remainder to
beneficiary/beneficiaries)

Annuity Options

Joint & Survivor Annuity

100% Survivor

Survivor receives same
amount as you

75% Survivor

Survivor receives 75% of
your benefit

50% Survivor

Survivor receives 50% of
your benefit

Annuity Options

J & S Pop-Up

- You and survivor receive benefits
- Your benefit increases to Single Life Maximum if survivor dies first

Annuity Options

Visit the new Lifetime Income Tracker to view and print your annuity options.

Lifetime Income Tracker

[Customize](#)[Print !\[\]\(0f848bbd71cef6b345273b16f905912a_img.jpg\)](#)

Your Lifetime Income Payment is

\$2,514 PER MONTH

With a Joint & Survivor Annuity
50%
w/ Pop-Up (J5P) Annuity Option

MAKING YOUR

Survivor Lifetime Income
Payment is

\$1,258 PER MONTH

By adjusting the factors below, you can see how your lifetime income projection can change

You'll Start Income

at Age
62

You'll Contribute

\$ 403(b) Savings Plan *
\$110

*Contribution per pay period

[Calculate](#)[Reset](#)

Please note that this estimate is based on less than 12 months of salary data. You can update your annual salary using the Customize feature.

Annuity Options

Social Security Leveling

- Available if you begin annuity prior to age 62
- Pays more before Social Security begins
- Once you reach age 62, the Fund reduces the amount it pays you

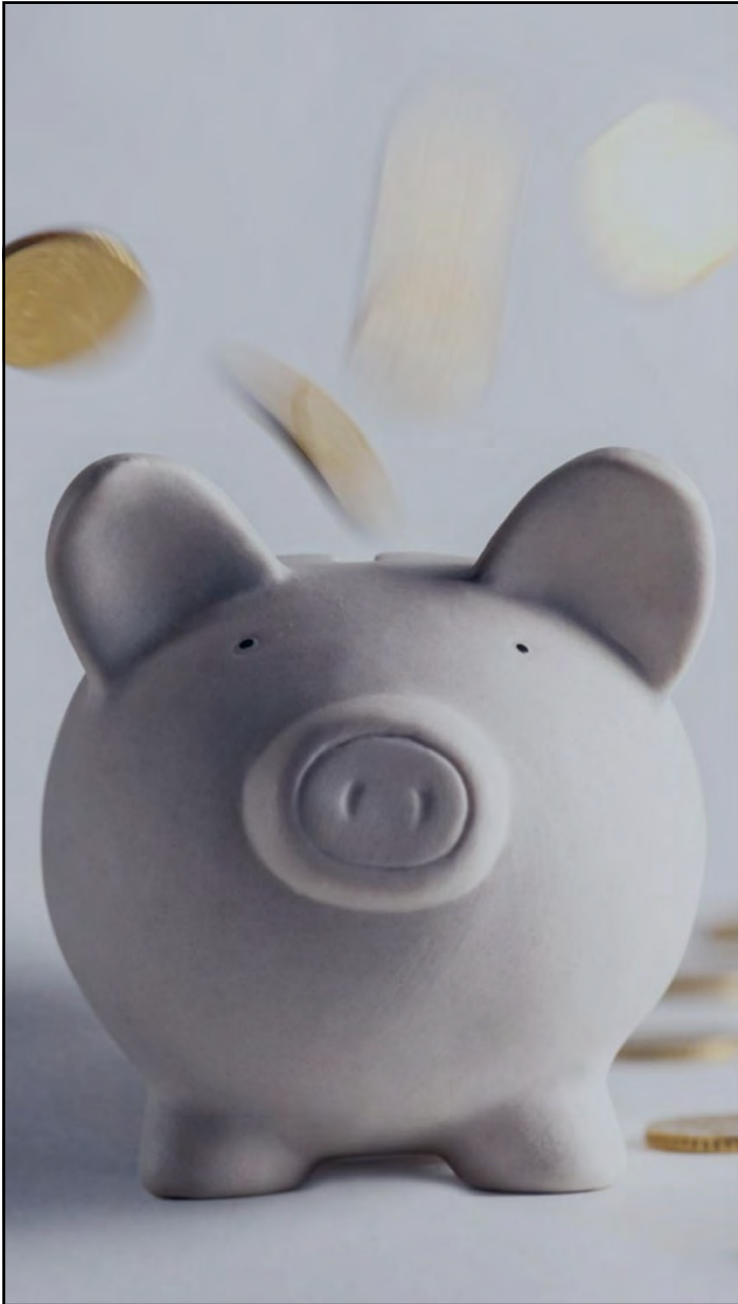
Retired Death Benefit

Retired Death Benefit

- Only for participants enrolled in the 401(a) prior to January 1, 2019
- Equal to the amount you would receive for one year in retirement from the Maximum Single Life annuity, based solely on the contributions to the *Personal Account and YMCA Accounts* at time of retirement.
- Your Retired Death Benefit will be paid to your beneficiary(ies) upon your death
- If you turned 55 by January 1, 2019, may use up to 90% to increase annuity

A couple is walking away from the camera on a sandy beach at dusk. The woman on the left is wearing a white dress and a wide-brimmed white hat with a colorful band. The man on the right is wearing a white short-sleeved shirt and light-colored shorts. They are holding hands and walking towards the ocean. The sky is a deep blue, and the waves are visible in the background. The word "BREAK" is written in large, white, sans-serif capital letters across the center of the image. A thin, bright blue horizontal line is positioned below the text.

BREAK



403(b) Features

- Open account any time
- Contribute any time
- Change any time
- Rollover
- Take a loan
- Roth not subject to income limits

What are my limits for 2024?

Everyone

\$23,000

15+ Years of Service

\$3,000

Age 50+

\$7,500



When You Retire: Savings Plan

- Lump Sum
- Rollout
- Periodic Withdrawals
- Annuitize

The Retirement Process

Personal Consultation Anytime



CALL THE FUND
90 Days in
Advance

COMPLETE FORMS
no more than 60
Days in Advance

YOUR Y
Makes the
Final Payment

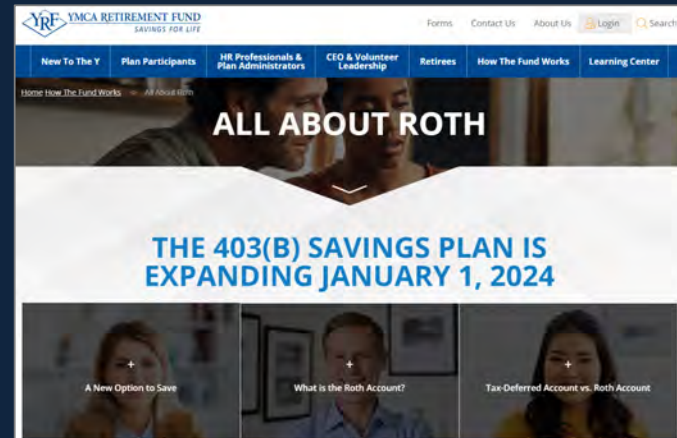
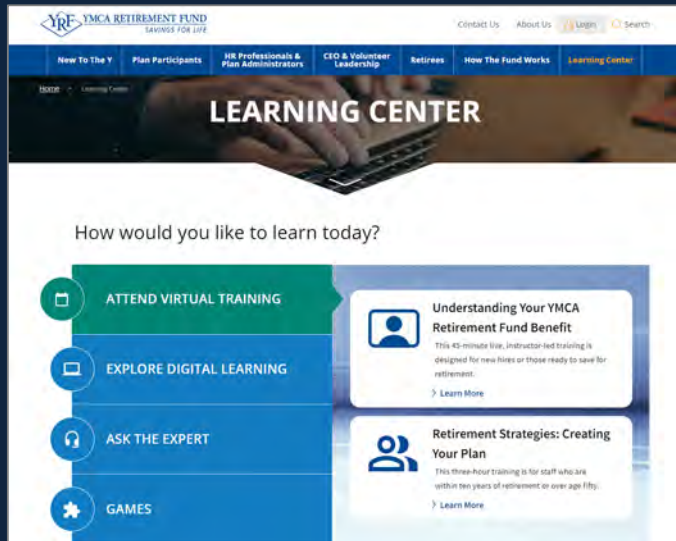
YOUR
ANNUITY
CHECK
ARRIVES

Key Points

Let's Recap

- Survivor and Beneficiary are separate terms with separate definitions
- Retire/Rehire
- No COLA adjustments
- Once you cash first annuity check can never change annuity option
- Can annuitize accounts separately/choose different options
- Roll-ins: different rules based on roll-in date

Resources





Traditional 401(k)s, 403(b)s and IRAs

- Contributions are pre-tax
- Withdrawals before 59-1/2 incur 10% penalty
- Subject to Required Minimum Distributions at age 73
- Must take separate RMD from each plan, except: may combine IRAs or combine 403bs for one withdrawal, but not 401Ks
- Subject to federal/state taxes



Required Minimum Distributions

Tax-Deferred Accounts

AGE	LIFE EXPECTANCY
73*	26.5 (3.8%)
75	24.6
80	20.2
85	16.0
90	12.2
95	8.9 (11.2%)

*If you turn 73 by 2032

If inherited by non-spouse (with a few exceptions), account must be distributed within 10 years.



Roth IRAs

- Contributions are post-tax
- Contributions limits phased out for certain AGIs*
- Contributions and interest grow tax-free and distributions are tax-free
- No RMD

*

different rules for Roth 401Ks, Roth 403bs



Health Savings Accounts

- Available ONLY if on a high-deductible health plan
- Contributions are tax-deferred and roll-over to subsequent years
- Withdrawals tax-free if for qualified medical expense (20% penalty if not)
- Age 65+ can withdraw for any reason penalty-free; non-medical withdrawals taxed
- Can contribute as long as on high-deductible health insurance EXCEPT if on Medicare (applying for Social Security benefits means automatic enrollment in Medicare Part A)



All Retirement Plans

- Keep up-to-date on plan changes
- Maintain control using rollovers
- Be aware of distribution rules and tax consequences



Social Security TAXES

- 6.2% OASDI on salary up to \$168,600
- 1.45% Medicare on everything (additional 0.9% for higher earners)

2024 data



Social Security ELIGIBILITY

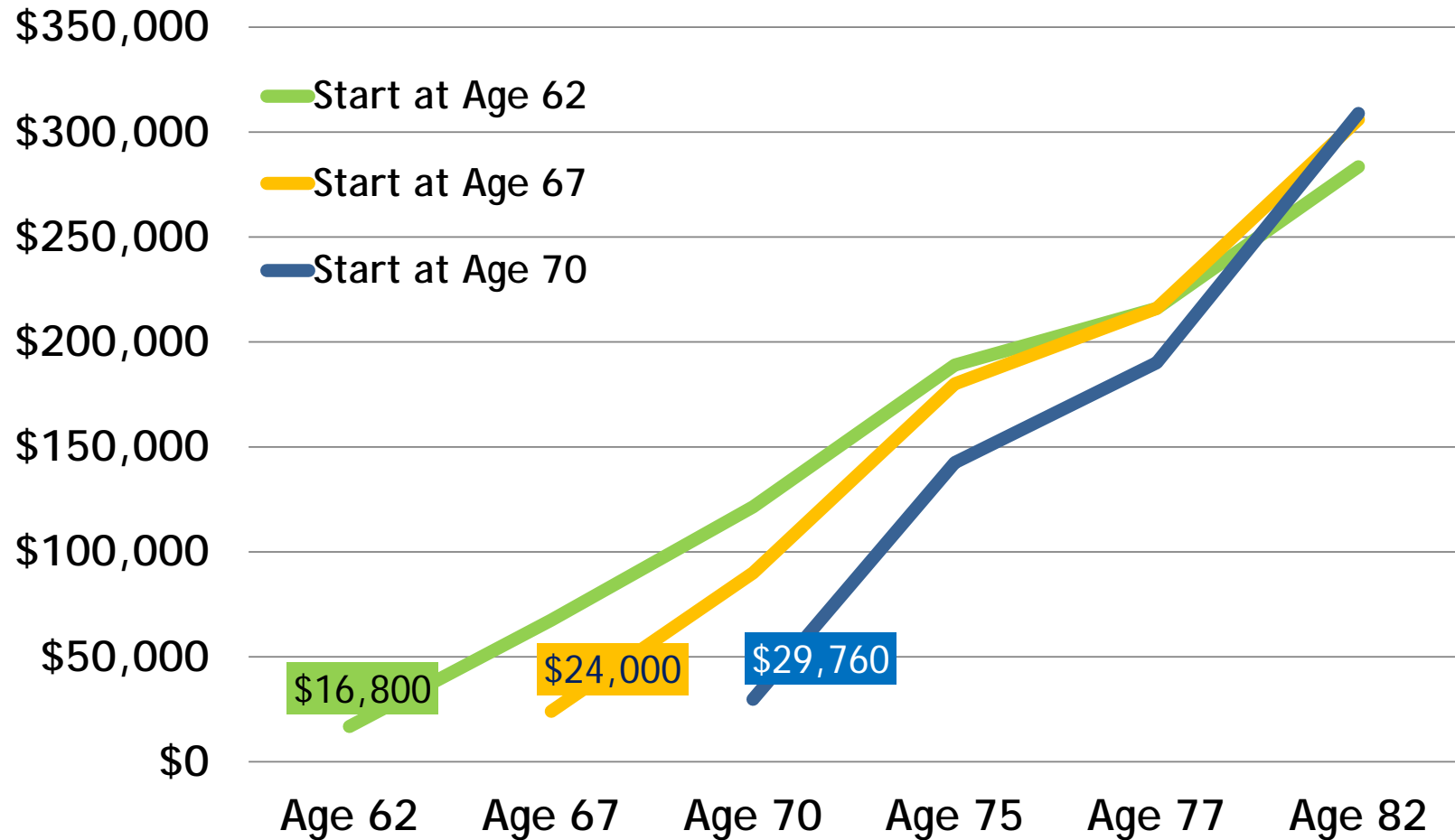
YEAR of BIRTH	FULL BENEFIT AGE
1943 to 1954	66
1955	66 + 2 Months
1956	66 + 4 Months
1957	66 + 6 Months
1958	66 + 8 Months
1959	66 + 10 Months
1960 & Later	67



Social Security BENEFITS

- Available at age 62 at reduced amount
- Based on highest 35 years of earnings
- Statements online or by request

Social Security Breakeven





Social Security SPOUSE'S BENEFIT

The greater of:

- Benefit based on own work experience

OR

- One half of your spouse's benefit
 - If married at least 1 year
 - Divorced spouse if married 10 years and never remarried (prior to age 60)
 - Spouse has to have filed (but not divorced spouse if 2 years)
 - Windfall Elimination Provision (WEP) different rules



Social Security WIDOW(ER) BENEFIT

- Reduced benefits as early as age 60
- Remarriage after reaching age 60 will not affect benefits
- Receive own benefit first, then difference, if any, between survivor benefit and own benefit
- Government Pension Offset (GPO) different rules

Inflation COLA Adjustments

Effective in December of prior year:

2024	3.2%
2023	8.7%
2022	5.9%
2021	1.3%
2020	1.6%
2019	2.8%
2018	2.0%
2017	0.3%
2016	0%
2015	1.7%

Based on the average CPI-W Index for the third quarter
over the third quarter average of the prior year.



Social Security EARNINGS LIMIT

- \$22,320:
Between age 62 and the year you reach full retirement age
- \$59,250:
Between January 1 and the month before you reach full retirement age

2024 data

A photograph of a man and a woman walking away from the camera on a sandy beach at dusk. The woman is on the left, wearing a white dress and a wide-brimmed white hat with a colorful band. The man is on the right, wearing a white short-sleeved shirt and light-colored shorts. They are holding hands and walking towards the ocean. The sky is a deep blue, and the waves are visible in the background. The word "BREAK" is written in large, white, sans-serif capital letters across the middle of the image. A horizontal cyan line is positioned below the text.

BREAK

Expenses in Retirement

| What are some common expenses?

- Taxes
- Insurance



Federal Income Taxes in Retirement

ANNUITY	SOCIAL SECURITY
Yes	Combined Income** above \$25,000 (single) <i>or</i> \$32,000 (married)

**Some portions of annuity may not be taxed if contribution was made to 401(a) by employee.*

*** AGI + Nontaxable interest + 1/2 SSA benefit*



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Retirement Strategies: Creating Your Plan

State Tax Picture

Is your state tax friendly?

CONSIDER:

- Are Social Security benefits taxed?
- Can retirees claim tax credits on certain types of retirement income?
- Is there a sales tax?
- Do residents 65 and older qualify for any property tax exemptions?
- Are there estate or inheritance taxes?

www.kiplinger.com

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Retirement Strategies: Creating Your Plan

Health Insurance

Pre-65

- Group
- Individual

Post-65 (Medicare)

- Parts A, B, C and D
- Medicare Supplemental Plans (“Medigap”)

Long Term Care

Pre-65 Group Plan

Continue on plan from your Y if offered

- May be least expensive
- No medical requirements

COBRA coverage for 18 months

Coverage through spouse's plan

State Insurance Exchanges (2014)

Medicare

- Four parts to Medicare: A, B, C, D
- Eligible for all parts once you turn 65
- Must sign up for A & B 90 days before or after you turn age 65, or cost of Medicare increases significantly each month. Penalty for B (10% for each 12-month period)
- Increased premium delayed enrollment for D, if no comparable/better plan (1% of 'national base' premium times the number of full uncovered months)

Medicare

Part A

Pays for inpatient hospital, skilled nursing facility, and some home health care

- \$1,632 deductible for each benefit period to day 60
- \$408/day for days 61-90
- \$816/day for days 91-150

Medicare.gov 2023

Medicare

Part B

Covers Medicare eligible physician services, outpatient hospital services, certain home health services, durable medical equipment

- Monthly premium
- \$240 deductible per year
- 20% co-pay of Medicare approved amount

Medicare.gov 2023

Medicare

Part D

Prescription drug coverage

- Monthly premium

Medicare

Part C: Medicare Advantage (HMO Options) [Vs. Medigap/Supplemental Plans]

- Healthcare.gov — explore options available through the health care exchanges
- AARP.com — search Medicare Supplement Plans (through United Healthcare)

Medicare.gov 2023

Medicare Monthly Premiums 2024

Individual Income	Couple's Income	Part B premium	Part D Adjustment
<\$103K	<\$206K	\$174.70	None
>\$103K-\$129K	>\$206K-\$258K	\$244.60	\$12.90
>\$129K-\$161K	>\$258K-\$322K	\$349.40	\$33.30
>\$161K-\$193K	>\$322K-\$386K	\$454.20	\$53.80
>\$193K-\$500K	>\$386K-\$750K	\$559.00	\$74.20
>\$500K	>\$750K	\$594.00	\$81.00

Medicare.gov 2023

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Types of Long Term Care



- Aging in Place
- Assisted Living
- Nursing Home

LTC Insurance generally covers—after waiting period—if severely cognitively impaired or cannot perform at least 2 of 6 Activities of Daily Living:

Bathing, Dressing, Eating, Transferring, Toileting & Maintaining Continence

Total Lifetime Medical Costs

Estimated Lifetime Health
Care Costs from age 65*:



Excludes Long Term Care!

\$150K Males

\$165K Females

- Home Health Aide: **\$27 per hour**
- Adult Day Services: **\$78 per day**
- Assisted Living: **\$4500 per month**
- Alzheimer's/Dementia: **\$9034** per month**

*Fidelity 2022; Long-term care statistics from Genworth June 2022 Cost of Care Survey **based on private room

Planning For Transitions

| Workplace Transition and
Estate Planning

Work-to-Retirement Transition

Why should you have a plan?

- Preparation and planning is critical to you and your Y to ensure continued organizational success
- Allows for closure

Work-to-Retirement Transition

What should be transitioned?

- Knowledge
- Data
- Relationships (members, volunteers, donors, vendors, etc.)

Develop a transition plan for each category

Work-to-Retirement Transition

Helpful Hints:

- Identify 3 people as potential candidates to replace you (internal or external to your Y)
- Educate and train current staff based on transition plan
- Utilize YUSA succession plan materials (i.e., succession planning assessment)
- Limit work related calls once you retire (designate one person from your Y who can call you with questions)

End of Life Planning

- Last Will and Testament
- Durable Power of Attorney
- Living Will
- Health Care Proxy

Distributes assets and
appoints executor

End of Life Planning

- Last Will and Testament
- Durable Power of Attorney
- Living Will
- Health Care Proxy

Allows someone to act
on your behalf

End of Life Planning

- Last Will and Testament
- Durable Power of Attorney
- Living Will
- Health Care Proxy

Provides decisions you
want to make

End of Life Planning

- Last Will and Testament
- Durable Power of Attorney
- Living Will
- Health Care Proxy

Allows someone to
make medical decisions

How Much will My Estate Pay?

2024

- All estates under \$13.61 million are exempt from federal estate tax (assuming no taxable gifts)
- Estate over exemption pay a top federal estate tax rate of 40%
- States may or may not have Estate and Inheritance tax
- Gift tax exclusion is \$18,000

What Can I Do Now?

- Request 4 Credits with YUSA through 'Link'
- Go through the documents on the YRF website
- Get your financial records organized
- Review budget and transition plan periodically
- Discuss plans with your family
- Write an instruction letter to accompany your will
- Contact the Fund anytime for a personal and confidential consultation, especially before making any final decisions
- Go to www.yretirement.org to learn more

Contact Us

800-RET-YMCA (800-738-9622)

Monday-Friday

9:00am-5:00pm ET

Live Chat at www.yretirement.org



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