THE FINANCIAL PLANNING ASSOCIATION

NORTHEASTERN NEW YORK CHAPTER

The Emergence of Retirement Income Planning: A panel discussion

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There are four major risks for retirement planning:

1) **Longevity Risk**
    a. How does an advisor deal with the uncertainty of longevity?
        i. Developing a managed withdrawal strategy from a volatile investment portfolio
        ii. The Role of annuities/guaranteed income sources
        iii. Impact of Social Security Deferral
        iv. Tapping into Home Equity as a Retirement Income Source
2) **Market Risk**
    a. Assets for the most part will provide unknown returns – how do you structure a portfolio to deal with volatile market returns?
        i. Discuss portfolio construction
        ii. Asset Location v. Asset Allocation
        iii. What does an appropriate asset allocation look like over time using a glide path?
        iv. Building in other sources of income like dividends, bonds, and non-market correlated assets
3) **Inflation Risk**
    a. Many advisors use long-term inflation rates around 3-4% a year – is this really appropriate? What is the risk of not doing enough – and risk of doing too much?
        i. Discuss general inflation issues with retirement – DPP – Health Care – Senior Spending Habits
        ii. Steps to build an inflation adjusted or resistant portfolio in order to maintain purchasing power
        iii. Social Security and Equities – what is their role?
4) **Spending Risk**
    a. Even the best laid retirement plan can be undone by overspending. We don't know what the budget and expenses will be, but need to set up a plan. What are some risks to the spending plan?
        i. General spending data for retirement
        ii. Long-term care
        iii. Health care risk
        iv. Developing a flexible spending plan