

Are you Carol, Betty, or Laura?

3 different retirement income pictures for 3 different retirees

Carol, Betty, and Laura have never met. They live in different cities, under different circumstances, and they each have their own unique personalities, histories, and attitudes. But they are all facing a common challenge: generating enough income to live on in retirement.

It may surprise you that these three women come to very different financial solutions. That's because no two retirement income strategies will ever be exactly the same. They depend on individual factors like what they made and saved during their working years, their standard of living, family dynamics, and their age at retirement, just to name a few. But as you think through your own retirement income strategy, considering these examples may be a help to you.

So, let's meet Carol, Betty, and Laura and find out how they worked with their financial professional to solve the retirement income puzzle in a way that worked best for them.

Carol: Safety, security, and family

Carol taught third grade for decades before retiring three years ago. She's now 68 years old. Her husband died suddenly last year, and she is still getting used to being on her own. She lives very modestly in the St. Louis home where she raised her three children. The kids have moved away though, starting their own families in various cities across the country.

Priorities

Carol doesn't have lavish tastes, but she does like to visit her grandchildren regularly. Trips to see her grown children and their families are her main "extra" expense. She also values the security of predictable, regular income.

Retirement income resources

Carol and her late husband saved consistently, and now she enjoys Social Security benefits, a monthly pension from the school district, and her husband's retirement savings. Her monthly income is \$5,000, and this allows her to travel quarterly to her grandchildren's school events.

How could a financial professional help?

Carol knows she's lucky to be able to live on less than the retirement income she receives. She and her husband paid off their home years ago, and her expenses are moderate. She'd like to use some of the excess to contribute to her grandchildren's college education funds. Her financial professional can help her evaluate vehicles in which to put funds toward her [grandchildren's education](#) and develop a strategy for funding them.

Carol inherited a substantial IRA rollover from her husband, which is currently allocated to a mix of stocks, bonds, and other assets. She does not like the fact that its value fluctuates with the financial markets and is worried about risk. Her financial professional recommends converting this portfolio into an [annuity](#), which will provide predictable income throughout Carol's lifetime.

Betty: Fun now and a legacy later

Betty celebrated her 70th birthday last week at a pickleball tournament with three girlfriends. A social butterfly who knows everyone in her south Florida condominium complex, she's been divorced for 15 years and loves her life.

Betty worked in the accounting department of a big law firm for most of her career, and she still works about 10 hours a week keeping the books for a small, family-owned firm. She loves the people and the work, and she has no plans to ever retire fully. Betty is close to her only daughter, who lives nearby.

Priorities

Betty wants to enjoy life now. She needs enough money so she can go out to eat with friends and take weekend trips to nearby destinations. But she'd also like to leave money to her daughter, a social worker who is always stretched for cash.

Retirement income resources

Betty receives income from a variety of sources including Social Security, distributions from her 401(k), and a bimonthly paycheck from the law firm where she works part time. She owns her condo outright.

How can a financial professional help?

Betty meets with a financial professional to look for ways to plan a legacy for her daughter. She brings her daughter in for a conversation with the financial professional who finds she is on target to have something to leave behind for her daughter, as long as she continues to work part time for a few more years.

The financial professional also assists Betty in making sure that her [estate plan](#) is set up to leave her assets, including her condo and 401(k) to her daughter, and helps the daughter establish a strategy for managing those assets when they are handed down to her.

Laura: Retirement income but no retirement

Laura never wants to retire. She's 67 years old and still working as a registered pediatric nurse at a pediatrician's office in upstate New York, where she has lived since girlhood. She loves taking care of children, and she can't imagine life without her job.

Laura has been married to the love of her life since she was 25, and the two of them have one son who lives in California. Laura's husband retired two years ago, and the two of them travel more now, taking cruises with her son and his family and visiting old friends.

Priorities

Laura wants to continue to work if she is able while also enjoying time with her husband and family. She knows she will need to make required minimum distributions from her 401(k) plan at age 73, and she needs advice on how best to do that.

Retirement income resources

Since he retired at age 66, Laura's husband has begun taking Social Security. He also has a retirement account he accumulated during his working life. Laura still earns an income from her job, and she has a well-funded 401(k).

How can a financial professional help?

When she meets with a financial professional, they focus on the best ways for her to use her RMDs. Since she does not need the money to support her current lifestyle, the advisor suggests she consider using the funds for other investments such as an IRA account or college savings accounts for her grandchildren.

The financial professional also recommends Laura begin thinking about transferring assets to the next generation and suggests she speak to an estate planning attorney to ensure her financial life is organized, registered, and covered to transfer seamlessly moving forward.

Every retirement plan is different

Do you see your retirement as like Carol's, where you live modestly on a regular, predictable fixed income? Are you more like Betty, living life to the fullest and working part time to support yourself? Or do you see yourself like Laura, hardly even thinking about retirement until you have to start taking distributions from your 401(k)? Maybe you have a little of all of them in you.

No matter which retiree you relate to, New York Life can partner with you to solidify the retirement you envision. Find out how you can find a retirement income solution that fits your needs and priorities today.

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