VEYL
ADVISORS

VEYL RESOURCE GUIDE

Retirement Income Guide & Review

A practical guide to understanding which income may continue for life, how much monthly income retirement may require, dependable versus market-based income, inflation, longevity, income gaps, and how annuities may help create a more predictable retirement paycheck.

A retirement balance tells you what you have.
An income plan shows you how you may live.

A PRACTICAL GUIDE TO UNDERSTANDING

- Lifetime income
- Monthly income needs
- Dependable vs. market-based income
- Inflation and longevity
- Income gaps
- Annuity income features

Retirement savings and retirement income are not the same thing.

During your working years, the goal is often to accumulate money. Retirement changes the question.

Instead of asking:
"How much have I saved?"

You begin asking:
"How much can I reliably receive each month—and how long will it last?"

Social Security
A monthly government benefit based on earnings history and claiming decisions.

Defined-benefit pensions
Employer-sponsored income that may continue for life, depending on the plan and payout option selected.

Annuities with lifetime-income features
Insurance contracts that may provide income for one life or two lives, according to the contract's terms.

Investment withdrawals
Flexible income drawn from retirement and investment accounts. The amount available can be affected by withdrawals, market performance, taxes, fees, and longevity.

Work, rental, or business income
Useful income that may be variable, temporary, or dependent on continued effort.

Why this matters

In March 2025, only 14% of private-industry workers had access to a traditional defined-benefit pension. Most workers with retirement-plan access instead had defined-contribution plans, such as 401(k)s, which place more responsibility on the retiree to turn an account balance into sustainable monthly income.

The central question
How much of your essential monthly spending is covered by income designed to continue for life?

Source note: U.S. Bureau of Labor Statistics, Employee Benefits in the United States, March 2025.

Which expenses still need to be paid when markets are down?

Some retirement expenses are flexible. Others arrive every month regardless of market performance.

Essential expenses may include

- ✓ Housing
- ✓ Food
- ✓ Utilities
- ✓ Insurance
- ✓ Taxes
- ✓ Transportation
- ✓ Medicare premiums
- ✓ Prescriptions
- ✓ Basic healthcare
- ✓ Minimum debt payments

Discretionary expenses may include

- ✓ Travel
- ✓ Dining
- ✓ Hobbies
- ✓ Gifts
- ✓ Home projects
- ✓ Additional family support

One retirement-income approach is to identify an income floor—the dependable monthly income available to cover essential expenses. Common sources that may be designed to provide lifetime income include Social Security, defined-benefit pensions, and annuity contracts with lifetime-income features.

A simplified example

$5,000
Essential monthly expenses

$3,200
Social Security and pension income

$1,800
Uncovered essential-income gap

That $1,800 gap could be funded through investment withdrawals. Or the household could evaluate whether using part of its assets to create additional contractually guaranteed lifetime income may provide greater predictability.

Lifetime annuity payments depend on the selected contract and payout option. Defined-contribution account balances, such as 401(k)s, generally do not guarantee that the money will remain adequate throughout retirement.

The planning question
Would you feel comfortable depending on market withdrawals for every essential bill—or would you prefer part of those expenses covered by a predictable retirement paycheck?

Hypothetical example for educational purposes only.

A portfolio can average a positive return and still experience difficult retirement years.

Investment accounts can provide flexibility, growth potential, liquidity, and legacy value. But withdrawals from an investment account are not guaranteed to continue for life.

A significant market decline near the beginning of retirement can be especially difficult because money may need to be withdrawn while the account is down, leaving fewer assets available to participate in a future recovery.

A simplified market example

$500,000	$400,000	$375,000	$468,750
Beginning retirement	After 20% market decline	After $25,000 withdrawal	After 25% gain

The percentage gain matched the percentage decline, but the account still has not returned to its original balance because money was withdrawn during the recovery.

Investments may provide

- ✓ Growth potential
- ✓ Liquidity
- ✓ Inflation protection
- ✓ Legacy assets
- ✓ Flexible withdrawals

Lifetime-income sources may provide

- ✓ Predictable payments
- ✓ Less dependence on short-term markets
- ✓ Protection against outliving the income stream
- ✓ Greater consistency for essential expenses

This does not mean investments should be avoided. It means investments and guaranteed-income sources may serve different purposes. Annuity contracts may provide payments for a fixed period or for an indefinite period such as a lifetime, depending on the selected contract and payout option. The insurance company's obligations depend on its financial strength and claims-paying ability.

The important question
If markets declined during your first years of retirement, which expenses could you reduce—and which would still have to be paid?

Hypothetical example. Actual investment returns and withdrawals will vary.

Retirement income may need to last longer than expected.

Social Security's 2026 projections estimate that at age 65, average remaining period life expectancy is approximately:

18.4
Additional years for men

20.9
Additional years for women

Those are averages—not expiration dates. Some people will live considerably longer, which means retirement income may need to support spending for 25 or 30 years or more.

Inflation changes the amount of income required.

$5,000
Monthly spending today

$9,030
Approximate monthly equivalent after 20 years at hypothetical 3% inflation

Social Security
Generally includes cost-of-living adjustments determined under federal rules.

Pensions
May remain level for life or include an adjustment, depending on the plan.

Annuity income
May be level, increasing, or connected to an optional feature, depending on the contract. An increasing-income option may begin with a lower initial payment.

Investment withdrawals
May potentially increase with inflation, but sustainability depends on market performance, withdrawal levels, taxes, fees, and longevity.

The planning question
Does your income plan account for both the possibility of living longer and the likelihood that everyday expenses will become more expensive?

Life-expectancy source: Social Security Administration, 2026 Trustees Report. Inflation example is hypothetical.

An annuity can turn part of a retirement balance into a personal income stream.

An annuity is a contract between an individual and an insurance company. Depending on the contract, an annuity may provide income immediately or in the future, for a set number of years, for one person's lifetime, for the joint lifetimes of two people, or through annuitization or an optional lifetime-withdrawal feature.

Annuities are commonly designed for retirement and other long-term goals. Contractual guarantees are subject to the issuing insurer's financial strength and claims-paying ability.

Fill an essential-income gap

Part of a retirement balance may be used to create income intended to support recurring expenses.

Reduce dependence on market withdrawals

Eligible contractual income may continue during poor market periods, subject to the contract's terms and withdrawal conditions.

Protect two lives

A joint-lifetime option may continue qualifying payments for a surviving spouse.

Create income later

A deferred-income strategy may begin payments at a future age to help address the risk of living longer than expected.

Make spending feel more predictable

Some retirees may find it easier to budget from a regular income stream than to repeatedly decide how much to withdraw from investments.

An annuity does not automatically solve every retirement concern.

Depending on the contract, tradeoffs may include reduced liquidity, surrender charges, market-value adjustments, rider or contract costs, limited inflation protection, lower initial income when survivor or refund features are added, restrictions on withdrawals, and tax consequences.

Oregon's Division of Financial Regulation warns that annuity surrender periods may last for years and that a purchase should leave enough accessible money for ongoing expenses and emergencies.

The central tradeoff
Which matters most to you: maximum liquidity, maximum growth, legacy value, or dependable lifetime income? A single financial product generally cannot maximize all four.

Not every annuity works the same way.

The word annuity describes a broad category of insurance contracts. Understanding the differences matters.

Immediate-income annuity

A lump sum is exchanged for payments that usually begin soon after purchase. Payments may continue for one lifetime, two lifetimes, a specified number of years, or life with a guaranteed minimum payment period. Adding survivor, refund, or beneficiary protections generally affects the amount of income available.

Deferred-income annuity

Money is committed today while income begins at a future date. Delaying the income start may create a larger future payment, but access to the original premium may be limited or unavailable under the contract.

Fixed deferred annuity

The insurer credits interest according to the terms of the contract. The contract may later be annuitized, or it may offer an optional lifetime-income feature.

Fixed-indexed annuity

Interest-crediting potential is connected to an external market index, subject to caps, spreads, participation rates, and other terms. The purchaser is not directly invested in the index, and the credited result may not equal the index's full return.

Variable annuity

The account value may be allocated among market-based investment options and can rise or fall. Some variable annuities offer optional living benefits, but fees, expenses, and investment risks can be significant.

Optional lifetime-income riders

Some contracts offer optional lifetime-income riders, which may involve additional costs or specific withdrawal conditions.

Two values may appear on some contracts

Account value: the contract value available under withdrawal and surrender provisions. **Income-benefit base:** a separate value used to calculate an eligible income or withdrawal benefit. It is generally not the same as cash value and ordinarily cannot be taken as a lump-sum withdrawal.

The important question
Do you understand which value is available as cash, which value calculates income, and what rules must be followed to preserve the benefit?

Features, fees, risks, and guarantees vary substantially by contract.

In retirement, ROI should not mean only “Return on Investment.”

ROI
Reliability of Income

During accumulation, people often focus on growth, rate of return, and account balance. Retirement changes the purpose of the money. The question becomes less about “How much can I get back?” and more about “How reliably can my assets support my life?”

Dependability
Which income sources are designed to continue regardless of short-term market performance?

Longevity
Which income sources could continue even if retirement lasts longer than expected?

Liquidity
How much money remains accessible for healthcare, home repairs, emergencies, and unexpected needs?

Flexibility
Which assets remain available for growth, inflation, discretionary spending, and legacy goals?

Social Security, defined-benefit pensions, and annuity contracts with lifetime-income features may help create a dependable income foundation. Investments may provide growth potential, liquidity, inflation protection, flexibility, and legacy value. The goal is not necessarily to choose one over the other. It is to determine the appropriate role for each.

Before adding an annuity, understand

- ✓ The specific income need the contract is intended to solve
- ✓ Whether payments cover one life or two
- ✓ How much money remains liquid outside the contract
- ✓ When the income begins
- ✓ How long eligible payments may continue
- ✓ The costs, restrictions, surrender provisions, and guarantees

Oregon law requires an annuity recommendation to consider the consumer’s financial situation, objectives, intended use, time horizon, existing assets, liquidity needs, risk tolerance, and other relevant information. A producer must act in the consumer’s best interest without placing the producer’s or insurer’s financial interest ahead of the consumer’s interest.

The central question
Does your retirement plan focus only on return—or does it also provide reliable income you can count on?

Annuity guarantees depend on the terms of the contract and the issuing insurance company’s financial strength and claims-paying ability.

NEXT STEP

Income confidence begins with knowing which bills are covered for life.

A retirement portfolio remains important. It may provide growth, liquidity, inflation protection, emergency funds, discretionary spending, and legacy assets. But a portfolio balance by itself does not promise a lifetime paycheck.

A complete income review should identify:

- ✓ Essential monthly expenses
- ✓ Social Security and pension income
- ✓ The remaining income gap
- ✓ Investment-withdrawal needs
- ✓ Market and longevity risks
- ✓ Inflation exposure
- ✓ Survivor income
- ✓ Available reserves
- ✓ Whether additional lifetime income may be useful

Book a Retirement Income Review

A focused conversation to review how your income sources, investments, and possible lifetime-income options may fit together.

Book a Retirement Income Review

Uses the existing Veyl booking destination. No obligation.

Start with the Retirement Assessment

The Veyl Retirement Assessment is a low-pressure way to identify which areas of your retirement plan may deserve a closer look—including income, Social Security, Medicare, healthcare, long-term care, and family decision-making.

Take the Retirement Assessment

See where your retirement-income plan may have gaps.

Educational only. No obligation. This guide is not a formal financial plan, tax or legal advice, an insurance recommendation, or a guarantee of future income. Annuity guarantees depend on the terms of the contract and the issuing insurance company’s financial strength and claims-paying ability.