PENSION DISTRIBUTIONS: WHAT'S THE RIGHT OPTION FOR YOU?

By Stephen Craffen

If you are about to retire from a company with a traditional pension plan, you will be asked what form of payment you want to receive your benefits in. That is one of the most important decisions you will ever make. A look at the options and how to analyze your choices.

Though we constantly hear talk of the demise of the defined-benefit pension, plenty of companies still include them in their package of employee benefits.

If you are with a company that has a traditional pension plan and you are about to retire, you will be asked to make an important decision: What form of payment do you want to receive your benefits in? That is one of the most important decisions you will ever make. This article will discuss the options and a methodology to use in analyzing your choices.

TYPES OF PLANS

It is important to understand the difference between the two main classes of retirement plans.

The 401(k) plan, which is familiar to many, is typical of a defined-contribution plan. In this type of plan, the company does not provide any guaranteed retirement benefit, but rather an opportunity to save on a pretax basis; the employer may or may not make a contribution. Upon retirement, the employee has a lump-sum amount that is totally dependant on the amount of contributions, and the returns on the investment choices that the employee has made for the contributions.

A defined-benefit plan is what most people consider to be a traditional pension plan. Under this type of plan, the company provides a stated retirement benefit, usually measured in the form of a monthly payment. The final benefit amount is determined through the use of a formula that can include years of service, final average salary for the last three years, etc., as critical variables. Under this type of plan, the company will set aside an amount each year to fund the future retirement benefits, but the risk of poor investment results is borne by the company, since its obligation to the employee is a stated amount. In addition, the company must pay a premium to the Pension Benefit Guaranty Corporation, a quasi-government organization that insures a minimum benefit level to beneficiaries of the pension plan should something happen to the company.

Upon retirement, employees who are entitled to a traditional pension may be given several choices regarding the form of benefit payment. In general, these choices can be grouped into two main categories:

- Payment of a monthly annuity (in other words, a monthly pension payment), the amount of which will vary based on the annuity option chosen.
- A lump-sum payment (although many companies do not offer this option).

THE LUMP-SUM OPTION

The first decision to make is whether to take the lump sum, if this is an

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option that is offered. The appropriateness of this choice hinges on the following questions:

- Can you invest the lump sum properly?
- Can you turn it into a stream of retirement income on your own?
- Can your spouse properly manage a portfolio of investments if you predecease him or her?

Most likely many AAII members are well equipped to self-direct this pension lump sum, and for those, this may be the best choice. This is particularly true if any of the annuity payment choices offered by your company do not provide cost of living increases on a regular basis.

If you do choose to rollover your lump sum to an IRA and defer immediate taxation, you are still faced with some major decisions (besides deciding how to invest the funds). For example, you may decide that you prefer the security of having a monthly pension but choose not to have your employer provide it. If this is your preference, you can request quotes from insurance companies for a fixed-income immediate annuity, or a variable-payment immediate income annuity. You can purchase such an annuity with all or part of your lump-sum payment, thus providing a guaranteed income "floor" to which you can add income from your investment portfolio.

This may be the best of both worlds. Why? There is a significant possibility you can turn your lump sum into a stream of income higher than that offered by your company. By shopping among several insurance companies that offer fixed or variable income annuities, you will receive quotes for income that may well be much higher than that offered by your employer. However, there is a word of caution if you decide to go this route: It is critical that you choose the insurance company very carefully. The company offering the highest monthly payout may not be the best choice because of the risk of insurance company failure. Make sure you perform "due diligence" on the company by reviewing their ratings from A.M. Best, Standard and Poor's, and Moody's. Though most states have a guarantee fund to help ensure beneficiaries against the collapse of an insurance company, most of these funds could not fully indemnify policyholders against the complete collapse of a company with billions of dollars in contractual obligations.

In addition, the disadvantage of the purchase of an immediate income annuity is the lack of inheritance to your children: Payments stop at your death (unless you purchase a payment certain option for a stated number of years) and the insurance company keeps the remaining lump sum, if any.

REGULAR PAYMENT OPTIONS

You may be limited to, or decide instead to choose, the regular payment option offered by your company. Before considering monthly income options, it is important to review the reason why you are offered at least two options, and what must transpire for the payment choice decision to be made.

A little background: Prior to the early 1970s many companies offered their retirees one payout option that is referred to as the life and no survivor option—all payments ended upon the death of the employee. That created a social problem, since the spouse of an employee (usually the wife) could be left with no income except Social Security survivor benefits.

In 1974, Congress passed the Employee Retirement and Income Security Act (ERISA) and regulations were included that required all qualified pensions to provide benefits to married participants and their spouses in the form of a qualified joint and survivor annuity (QJSA) or, if the employee died prior to retirement, a qualified pre-retirement annuity to the surviving spouse. Of course, you must be vested within the plan to qualify for this benefit. The only exception to providing the QJSA is if your spouse consents to waive their right to this benefit.

Prior to retirement, you will be asked to make a choice between at least two payment options for your retirement benefit payout; if you are married, you must also have your spouse agree to the payout choice. If you do not make a choice, QJSA is the choice by default. Under that payout option, for a reduction from your full monthly benefit, your spouse is indemnified for your premature death by receiving an annuity for at least half of what you will receive. A company or their pension administrator must notify a participant of the right to waive the QJSA within a 30- to 90-day window before benefits are to begin. A participant's spouse may withhold their consent to the waiver. However, if the spouse does consent to the waiver, the consent must be in writing and a plan representative or a notary public must witness his or her consent.

Thus, the principal initial decision, if you choose the pension payment option, is between accepting your pension with no survivor benefits (assuming your spouse will consent to a waiver), or choosing a reduced benefit with some level of survivorship benefits to your spouse after you die. The survivor benefit is typically 50% to 80% of that provided to the retiree; typically, most plans will offer a number of survivorship choices rather than the simple two options required, which complicates your decision.

THE FULL PENSION OPTION

One option you might first consider is one your insurance agent will be anxious for you to choose—that is, the full pension option with no survivor benefits for your spouse, along with the purchase of a whole life insurance policy to indemnify your spouse against your premature

death. The amount of life insurance to be purchased is based on the lump sum necessary to provide the equivalent stream of survivor income if invested at a fair rate of return that equates to the pension survivor benefit.

In an ideal world this is a great solution, especially if the annual insurance premiums are less than the difference between the payout the retiree receives from choosing the full pension option versus the payout from the joint and survivor option. Unfortunately, such a simple solution seldom works for all situations.

For one thing, your health at this point may not allow you to purchase insurance at the standard or preferred rate. Or the insurance company may only offer a policy at a premium so high that it makes more economic sense for you to choose the "insurance" provided by your former employer. Other factors tend to complicate this simple solution further.

As an example, consider the case of the couple illustrated in Table 1. This couple has the choice between receiving a full pension, or receiving a reduced pension (90% of the full pension) with survivor benefits that amount to 50% of the full pension upon the death of the retiree. Other assumptions include a return of 8% and a monthly pension payment of $2,000 ($24,000 annually).

Their insurance agent contacted them and recommended that they select the full (100%) pension option with no survivor benefits for the spouse, along with the purchase of life insurance.

Before you select that route, you need to consider it carefully and analyze the full variety of choices mathematically, as shown in Table 1. In the table, this analysis is performed in a spreadsheet format to show what occurs each year. [A copy of this spreadsheet is available on the AAII Web site at www.aaii.com, linked to this article and in the Download Library, so you can tailor it to your own situation.]

First, calculate the present value of an annuity representing the stream of pension payments.

The column labeled "present value" indicates the present value of each year's pension payment, assuming the assets are invested at the stated rate of return; the "total" at the bottom of the column indicates the cumulative present values for all years. The "lump sum" column indicates the present value of the *remaining* stream of pension payments for any given year—the lump sum of money (amount of insurance) necessary to provide for the remaining years of annual pension payments; for the first year, it is the present value of all of the payments less the first pension payment. A similar calculation is made for the survivorship benefits.

The present value of the payments should be determined over a person's life expectancy, plus a fudge factor, so the spouse is less likely to outlive the funds. In this instance, the husband will be 65, and his life expectancy is 83, so the payments must continue for at least 18 years. But what about the spouse's life expectancy? An advantage to the pension is that you know with certainty that your spouse will never outlive the funds. Therefore, it is prudent to add a substantial "fudge" factor to the calculation to take into consideration the spouse's life expectancy—I would recommend at the very least 10 years. In this example, the illustration is carried out for 35 years since there is a fair probability that the remaining spouse may live that long.

One other important assumption to consider is the rate of return for the invested principal. You may feel that 8% is too low. The money though, must be invested to provide substantial income; it also must not be invested too aggressively since some of the replacement of the pension comes from partial liquidation of the principal. You will want to use conservative projections for the rate of return in this analysis. Rates of return much higher than 8% might be overly optimistic.

Assuming the lump sum could earn 8% and the payments need to last for 35 years, this couple would need to consider purchasing $278,000 of insurance on the retiree's life if the spouse wants to continue to receive full pension benefits through year 35. If the spouse were to receive a smaller amount equivalent to the 50% survivor benefits upon the death of the retiree, they would need to consider purchasing $125,100 of insurance on the retiree's life.

Unfortunately, the situation becomes even more unfavorable to the purchase of insurance if the pension provides adjustments for inflation. That problem is illustrated in Table 2 using a spreadsheet and a 3% pension inflation assumption. [Note: The spreadsheet accompanying this article on the AAII Web site can adjust for pension inflation; simply enter the percentage at the top of the spreadsheet, or enter 0% if there is no inflation adjustment.] In Table 1, which does not have the inflation adjustment, you can see that the lump-sum equivalent to the income stream payments (or amount of insurance needed) decreases each year as the number of remaining payments decrease. However in Table 2, with a 3% inflation adjustment to the annual pension payments, the lump sum necessary to compensate for the stream of income needed to provide the spouse with a replacement for the pension actually *rises*, which should not be too surprising.

In this situation, if you want to insure against the peak requirement, in year 15, you would need to purchase $206,000 of insurance for the spouse to receive the equivalent to the 50% survivor benefits upon the death of the retiree.

TYPES OF INSURANCE

In deciding which type of insurance to purchase—term or whole life—consider that:

TABLE 1. THE SURVIVORSHIP PENSION VS. INSURANCE DECISION: NO PENSION INFLATION

Assumptions:
Monthly Pension: $2,000
No Pension Inflation
Survivorship Benefits: 50% of full pension
Pension Reduction (for Survivor Benefits): 90% of full pension
Rate of Return: 8%

Year	Full Annual Pension	Full Pension Present Value	Lump Sum	Reduced Pension w/ Survivor Benefits	Survivorship Benefit Amount	Survivor Present Value	Survivor Lump Sum
1	$24,000	$24,000	$278,086	$21,600	$10,800	$10,800	$125,139
2	$24,000	$22,222	$276,333	$21,600	$10,800	$10,000	$124,350
3	$24,000	$20,576	$274,440	$21,600	$10,800	$9,259	$123,498
4	$24,000	$19,052	$272,395	$21,600	$10,800	$8,573	$122,578
5	$24,000	$17,641	$270,187	$21,600	$10,800	$7,938	$121,584
6	$24,000	$16,334	$267,802	$21,600	$10,800	$7,350	$120,511
7	$24,000	$15,124	$265,226	$21,600	$10,800	$6,806	$119,352
8	$24,000	$14,004	$262,444	$21,600	$10,800	$6,302	$118,100
9	$24,000	$12,966	$259,439	$21,600	$10,800	$5,835	$116,748
10	$24,000	$12,006	$256,195	$21,600	$10,800	$5,403	$115,288
11	$24,000	$11,117	$252,690	$21,600	$10,800	$5,002	$113,711
12	$24,000	$10,293	$248,905	$21,600	$10,800	$4,632	$112,007
13	$24,000	$9,531	$244,818	$21,600	$10,800	$4,289	$110,168
14	$24,000	$8,825	$240,403	$21,600	$10,800	$3,971	$108,181
15	$24,000	$8,171	$235,636	$21,600	$10,800	$3,677	$106,036
16	$24,000	$7,566	$230,486	$21,600	$10,800	$3,405	$103,719
17	$24,000	$7,005	$224,925	$21,600	$10,800	$3,152	$101,216
18	$24,000	$6,486	$218,919	$21,600	$10,800	$2,919	$98,514
19	$24,000	$6,006	$212,433	$21,600	$10,800	$2,703	$95,595
20	$24,000	$5,561	$205,427	$21,600	$10,800	$2,502	$92,442
21	$24,000	$5,149	$197,862	$21,600	$10,800	$2,317	$89,038
22	$24,000	$4,768	$189,691	$21,600	$10,800	$2,145	$85,361
23	$24,000	$4,415	$180,866	$21,600	$10,800	$1,987	$81,390
24	$24,000	$4,088	$171,335	$21,600	$10,800	$1,839	$77,101
25	$24,000	$3,785	$161,042	$21,600	$10,800	$1,703	$72,469
26	$24,000	$3,504	$149,925	$21,600	$10,800	$1,577	$67,466
27	$24,000	$3,245	$137,919	$21,600	$10,800	$1,460	$62,064
28	$24,000	$3,004	$124,953	$21,600	$10,800	$1,352	$56,229
29	$24,000	$2,782	$110,949	$21,600	$10,800	$1,252	$49,927
30	$24,000	$2,576	$95,825	$21,600	$10,800	$1,159	$43,121
31	$24,000	$2,385	$79,491	$21,600	$10,800	$1,073	$35,771
32	$24,000	$2,208	$61,850	$21,600	$10,800	$994	$27,833
33	$24,000	$2,045	$42,798	$21,600	$10,800	$920	$19,259
34	$24,000	$1,893	$24,000	$21,600	$10,800	$852	$10,000
35	$24,000	$1,753	$0	$21,600	$10,800	$789	$0
		Total:$ 302,086				Total: $135,939	

- Term insurance may be inappropriate, since to properly protect your spouse the insurance amount must actually increase if your pension adjusts for inflation.
- Term insurance that has a level premium for 35 years is not available. The longest term for a level premium policy we have seen is 30 years, and that type of policy is not usually offered to someone over 60.

Your only logical choice is to purchase whole life insurance, and pay the higher premiums. A distinct

TABLE 2. THE SURVIVORSHIP PENSION VS. INSURANCE DECISION: 3% PENSION INFLATION

Assumptions:
Full Monthly Pension: $2,000
Pension Inflation: 3%
Survivorship Benefit: 50% of full pension
Pension Reduction (for Survivor Benefit): 90% of full pension
Rate of Return: 8%

No. of Years	Full Annual Pension	Full Pension w/ Inflation	Full Pension Present Value	Lump Sum	Reduced Pension w/ Survivor Benefits	Survivorship Benefit Amount	Survivor Present Value	Survivor Lump Sum
1	$24,000	$24,000	$24,000	$395,741	$21,600	$10,800	$10,800	$178,083
2	$24,000	$24,720	$22,889	$402,680	$22,248	$11,124	$10,300	$181,206
3	$24,000	$25,462	$21,829	$409,433	$22,915	$11,458	$9,823	$184,245
4	$24,000	$26,225	$20,819	$415,962	$23,603	$11,801	$9,368	$187,183
5	$24,000	$27,012	$19,855	$422,227	$24,311	$12,155	$8,935	$190,002
6	$24,000	$27,823	$18,936	$428,183	$25,040	$12,520	$8,521	$192,682
7	$24,000	$28,657	$18,059	$433,780	$25,792	$12,896	$8,127	$195,201
8	$24,000	$29,517	$17,223	$438,966	$26,565	$13,283	$7,750	$197,535
9	$24,000	$30,402	$16,426	$443,680	$27,362	$13,681	$7,391	$199,656
10	$24,000	$31,315	$15,665	$447,860	$28,183	$14,092	$7,049	$201,537
11	$24,000	$32,254	$14,940	$451,435	$29,029	$14,514	$6,723	$203,146
12	$24,000	$33,222	$14,248	$454,328	$29,899	$14,950	$6,412	$204,448
13	$24,000	$34,218	$13,589	$456,456	$30,796	$15,398	$6,115	$205,405
14	$24,000	$35,245	$12,959	$457,728	$31,720	$15,860	$5,832	$205,978
15	$24,000	$36,302	$12,359	$458,044	$32,672	$16,336	$5,562	$206,120
16	$24,000	$37,391	$11,787	$457,296	$33,652	$16,826	$5,304	$205,783
17	$24,000	$38,513	$11,242	$455,367	$34,662	$17,331	$5,059	$204,915
18	$24,000	$39,668	$10,721	$452,128	$35,702	$17,851	$4,825	$203,458
19	$24,000	$40,858	$10,225	$447,440	$36,773	$18,386	$4,601	$201,348
20	$24,000	$42,084	$9,751	$441,151	$37,876	$18,938	$4,388	$198,518
21	$24,000	$43,347	$9,300	$433,096	$39,012	$19,506	$4,185	$194,893
22	$24,000	$44,647	$8,869	$423,097	$40,182	$20,091	$3,991	$190,394
23	$24,000	$45,986	$8,459	$410,958	$41,388	$20,694	$3,806	$184,931
24	$24,000	$47,366	$8,067	$396,469	$42,629	$21,315	$3,630	$178,411
25	$24,000	$48,787	$7,694	$379,399	$43,908	$21,954	$3,462	$170,730
26	$24,000	$50,251	$7,337	$359,501	$45,226	$22,613	$3,302	$161,775
27	$24,000	$51,758	$6,998	$336,502	$46,582	$23,291	$3,149	$151,426
28	$24,000	$53,311	$6,674	$310,112	$47,980	$23,990	$3,003	$139,550
29	$24,000	$54,910	$6,365	$280,010	$49,419	$24,710	$2,864	$126,005
30	$24,000	$56,558	$6,070	$245,854	$50,902	$25,451	$2,732	$110,634
31	$24,000	$58,254	$5,789	$207,268	$52,429	$26,214	$2,605	$93,270
32	$24,000	$60,002	$5,521	$163,847	$54,002	$27,001	$2,485	$73,731
33	$24,000	$61,802	$5,266	$115,153	$55,622	$27,811	$2,369	$51,819
34	$24,000	$63,656	$5,022	$65,566	$57,290	$28,645	$2,260	$27,319
35	$24,000	$65,566	$4,789	$0	$59,009	$29,505	$2,155	$0

advantage to cash value policies is that as the cash value builds, the death benefit may rise. Variable life insurance, a form of cash value insurance, can provide a growing death benefit that might roughly track inflation. Another advantage is that the premium is fixed and at some point you should be able to stop paying premiums as the policy's cash value grows—the policy is self-funding at this point. Carefully review the insurance company's projections as to the year when that might actually occur and see which

TABLE 3. ANNUAL COST OF INSURANCE

Age	Annual Cost per Thousand ($)		Projected Year of
	Standard	Preferred	Last Payment
55	33.35	30.57	Year 13
60	43.0	39.59	Year 13
65	56.51	52.28	Years 14,13 respectively

policy year payments end. For regular whole life policies, add three to five years to the insurance company's projection just to be conservative. For variable life projections, ask the agent to use rates of return of 6% and 8%. The insurance business is highly competitive, and companies want to project the shortest payment period possible.

The cost of whole life insurance is high at the age you will be considering its purchase, so high that this scheme may not make sense at all. Table 3 provides the rates quoted by a leading life insurance company for a male at different ages, based on their standard and preferred rates. The standard rate is offered to smokers, or others who might not have the best health; the preferred rate is only offered to non-smokers and those in the best of health. They are known for their stability and excellent performance, and the company has one of the highest ratings provided by every rating agency. If you are in poor health, a company may offer a policy with a "rating." For each table rating, which represents varying degrees of poor health (and increased risk of early liability to the insurance company) premiums can be anywhere from 10% to 20% higher than a company's best rates.

If you decide to purchase insurance to replace the 50% survivorship to your spouse and you have a 3% pension inflation, at least $206,000 of coverage is necessary, as shown in Table 2. The insurance will cost $6,300 [30.57 × 206] per year if you are 55 years old and qualify for the best rate offered. Now compare that cost to the difference in dollars if you select the full pension option. The key determinant is the difference between the cost of insurance and the higher monthly pension payment for the full pension option. Since a typical plan provides a benefit roughly 80% to 90% of the full benefit by selecting the 50% joint and survivor option, it is certainly questionable whether it is a good decision to choose the full pension option and purchase insurance at such a high cost.

OTHER LUMP SUM RISKS

There are other risks to consider if you choose to purchase insurance even assuming the numbers work and the annual cost of insurance is close to or less than the difference in pension benefits to you between the full and joint and survivor options:

- If inflation is higher than projected, you may not have purchased enough insurance to indemnify your spouse for the loss of the survivor benefit. If inflation is high, your pension (if inflation-adjusted) should compensate you for the increase in cost of living. You should know the formula for inflation adjustment, if any.
- If your spouse lives longer than you thought, he or she may run out of money. The pension, on the other hand, never ends.
- If the insurance policy requires more payments than projected, you may be locked into a high additional expense. This creates the greatest disadvantage if the cost of insurance is greater than the difference between the two pension options.
- If your spouse is not proficient in managing investments, his or her receipt of a large lump sum at your death, which is meant to provide income, may be problematic. It is critical that the lump sum be managed properly. If inflation is higher than originally projected, or if your spouse invests the lump sum in CDs earning 5% when projections call for a return of 8%, your spouse can run out of money. If your spouse is not an experienced investor, you may want to completely disregard the insurance solution and take the pension option with survivorship benefits.

LUMP SUM ADVANTAGES

On the other hand, going the lump sum/insurance route has some distinct advantages:

- If your spouse predeceases you, you can cash in the unneeded policy and still have your full pension.
- If inflation is high and your pension is inflation-adjusted, the cost of insurance becomes less onerous each year, since it is fixed in annual cost and your pension payment is growing each year.
- Some company pension plans throw another wrinkle into the problem to further complicate your choice. They have a so-called "pop-up" or "restore" option. This feature is available in the better plans and eliminates one of the principal faults of the qualified joint and survivor annuity—if your spouse dies prematurely, you are still locked into a reduced pension, and are in effect paying for survivor benefits with no survivor (at least for your pension benefit). Under a pop-up or restore option for a small cost in annual pension benefit (typically 1% to 2%), your pension will return to its full value if your spouse should predecease you. If your plan has this option and is inflation adjusted, the insurance agent's solution is of little value.

INFLATION

As you can see from the tables, a key determinant in making the pension option selection decision is the inclusion of inflation adjustments in the pension payments. Table 1 assumes there are no inflation adjustments to the pension, whereas Table 2 assumes a 3% annual inflation adjustment. The difference in insurance needed is enormous: $206,000 versus $125,000, or more than 60%. If the pension does not adjust with inflation, the amount of insurance needed in any given year decreases, whereas it increases if inflation adjustments are made. So it is important that you determine your employer's history of making adjustments.

Some employers do not provide regular inflationary adjustments, but instead occasionally provide a larger adjustment on an irregular basis. In those instances, you should look at the history of the company's adjustments going back as far as possible, particularly during the high inflation years in the late '70s and early '80s.

Do not ignore past history, since it is an important part of the decision making process, but use caution when trying to analyze this situation, since pension plans that provide inflationary adjustments in this fashion do not provide guaranteed increases.

To use this information in the proper context, it must be considered in relation to the average rate of general price inflation over the same period of time. For example, if the plan's history indicates they provide adjustments 3% below the average inflation rate, and you expect inflation to be 4%, you should use projected annual increases of roughly 1% for the pension. I also recommend you consider varying rates for inflation and investment in your projections.

OTHER CONSIDERATIONS

After deciding between the full pension option with no survivorship benefits (and a purchase of insurance) or the reduced pension with survivorship, you still need to consider the various payment options (with survivor benefits) your employer provides. This decision may be a difficult one, especially if your employer provides many choices. It also should be made in conjunction with your long-term retirement planning. You should consider the following in making your decision:

- If you and your spouse both live to age 95 (or beyond), determine how much recurring (non-portfolio) income (inflation-adjusted) you need to annually meet your lifestyle goals.
- When you have determined what minimum base of income is necessary to meet your lifestyle goals, next consider the survivorship benefit associated with the pension choice that provides that level of income. Is it sufficient, considering your spouse will lose your Social Security income and will only have his or her own, at your death? If it is not sufficient, you will need to choose an option that provides less income to you and more income to your surviving spouse.
- If you cannot live on a pension benefit that also protects your spouse's lifestyle at your death, you will need to consider reducing your expectations, or investing for higher return (which may not be possible). Or consider part time employment to augment your savings.
- Always choose a pension option with a pop-up or restore option. For the small cost we have typically seen (1% to 2%), it provides protection to you if your spouse predeceases you. Remember that you will lose your spouse's Social Security at their death.
- In your projections, always consider a variety of combinations for rate of inflation and rate of return for your savings. A pension choice you are considering may not make sense under some conditions, forcing you to consider others.

All of this analysis may seem like a lot of work, but making the right decisions at retirement will help ensure a fulfilling retirement for you and your spouse. F