

Your 60's – Retirement Decade

Earnings

- Consider a phased retirement and make necessary plans. Depending on circumstances, consider downshifting without completely stopping work as a way to maintain social connections, stay active and earn wage income to supplement other sources of retirement income.
- Aim to develop a tax-efficient retirement income sequencing strategy.
- Evaluate all Social Security options including delaying beyond “normal” retirement age.
- You can sign up for Medicare three months before turning age 65, even if you plan to delay taking Social Security beyond age 65.
- Portfolio allocations for most at this age should typically be conservative because market declines are often difficult to recover from in these transition years.

Spending

- As you transition from work to retirement, recalibrate your budget to reflect your changing expenses and priorities.
- During retirement, spending should be watched closely to balance expenses and income.

Investing

- These are the transition years in which the focus shifts from accumulating wealth to generating income, so consider continuing to maximize contributions up until the day of retirement.
- A strong decline in the equity markets now would be a significant setback. If not already done, consider shifting the portfolio to more conservative risk allocation.

Insuring

- Individuals who bought term life insurance earlier are seeing their policies come to term. They will need to assess their family's financial needs and determine if it makes sense to purchase a new term or permanent policy.
- Discuss the role of annuities if looking to potentially guarantee a portion of retirement income.

Legacy Planning

- Will, Living Will, Healthcare Power of Attorney, Durable Power of Attorney, potential trust planning.
- Beneficiary Review, Transfer on Death (TOD).