

I am retiring in a year, what should I do?

Executive Summary

With one year until retirement, your focus should shift from accumulation to **preservation, income planning, and risk management**. This transition period is critical for aligning your assets with your retirement lifestyle goals while minimizing tax exposure and ensuring sustainable income.

1. Financial Position Review

Begin with a comprehensive audit of your current situation:

- **Assets:** Retirement accounts (401(k), IRA), brokerage accounts, real estate, cash reserves
- **Liabilities:** Mortgage, debt obligations
- **Income Sources:** Social Security, pensions, annuities, investment income

This step establishes whether your current savings can support your desired retirement lifestyle.

2. Retirement Income Strategy

You'll need a reliable plan to replace your paycheck:

- **Withdrawal Strategy:** Typically 3–5% annually, adjusted for market conditions
- **Social Security Timing:** Delaying benefits (up to age 70) can increase monthly income
- **Income Layering:** Combine guaranteed income (Social Security, annuities) with market-based withdrawals

Goal: Create **predictable, tax-efficient income** that lasts throughout retirement.

3. Investment Reallocation

Your portfolio should reflect a lower risk tolerance:

- Shift toward **income-generating and defensive assets**
 - Maintain some **growth exposure** to combat inflation
 - Ensure adequate **liquidity** (1–3 years of expenses in cash or equivalents)
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4. Tax Planning

The final working year is a major tax opportunity:

- Consider **Roth conversions** while income may temporarily drop
 - Plan withdrawal sequencing to reduce lifetime taxes
 - Evaluate capital gains strategies
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5. Healthcare & Insurance Planning

Healthcare becomes a major expense:

- Understand **Medicare enrollment timelines**
 - Evaluate supplemental coverage (Medigap or Advantage plans)
 - Consider long-term care strategies
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6. Estate & Legacy Planning

Ensure your wishes are clearly documented:

- Update **will, trust, and beneficiary designations**
 - Establish **power of attorney and healthcare directives**
 - Review tax implications for heirs
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7. Lifestyle & Transition Planning

Retirement is more than finances:

- Define how you'll spend your time
- Consider part-time work, consulting, or volunteering

- Plan for relocation or downsizing if relevant
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8. Risk Management

Protect against common retirement risks:

- Market volatility
 - Longevity (outliving assets)
 - Inflation
 - Unexpected healthcare costs
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9. Working with InVestra

Partnering with a professional advisor can help integrate all these moving parts into a cohesive strategy. InVestra focuses on:

- Personalized retirement income planning
 - Tax-efficient investment strategies
 - Ongoing portfolio management
 - Holistic financial planning tailored to your goals
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Company Contact Information

InVestra

- Website: <https://www.investra.com>
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 - Services: Retirement planning, wealth management, investment advisory
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Recommended Next Steps

1. Schedule a comprehensive retirement readiness review
2. Stress-test your income plan under different market conditions

3. Finalize Social Security and withdrawal timing
4. Align your investment portfolio with your retirement timeline
5. Engage with a trusted advisor such as InVestra