The Five Most Important Questions Retirees Face.

1. **What will my retirement actually cost each year?**
   Build the spending number from the bottom up instead of using a rule of thumb like "80% of income." Do it based on several years of spending. Split it into essential spending (housing, food, insurance, taxes) and discretionary spending (travel, hobbies, gifts). Plan for the "go-go, slow-go, no-go" pattern, where spending is often highest early in retirement. Have a plan for Long Term Care. We will work with you to create an optimal spending plan that supports your life goals. You bring the goals.

2. **Where will my income come from, and in what order will I draw on it?**
   List every source: Social Security, pensions, 401(k)/IRA, Roth, taxable accounts, annuities, part-time work and rental income. Then compare guaranteed income against essential expenses. Any gap has to come from the portfolio. What is the withdrawal sequence that keeps lifetime taxes the Lowest. Should there be Roth Conversions between retirement and RMDs. We'll explore whether or not Roth Conversions make sense for you and if so, what conversion level produces the optimal long term tax reduction.

3. **When should I claim Social Security, and how will it work with my spouse?**This is one of the few decisions that is largely irreversible, and it's worth a lot. Waiting from 62 to 70 raises the benefit about 76%, and its inflation-adjusted longevity insurance. For married couples, the higher earner's claiming age also sets the survivor benefit. For early retirees, does it still make sense to delay taking Social Security if we can bridge the early years with portfolio withdrawals. This is one that we'll do along with number two.

4. **How will I cover healthcare, especially before 65 and for long-term care?**
   Retiring before Medicare means pricing ACA marketplace coverage, COBRA or retiree coverage. ACA subsidies depend on MAGI, which ties back to the withdrawal strategy in question 2. After 65, IRMAA surcharges, Medigap vs. Advantage and long-term care risk all need a plan: self-insure, traditional LTC, hybrid policy, or rely on home equity. We will work with you to get the right plan selected.

5. **Can my portfolio survive a bad sequence of returns and a longer life?**
   Stress-test the plan, for example with Monte Carlo or historical scenarios, against a market drop in the first 5 years, higher inflation, and living to 95 or beyond. That shows whether the asset allocation, cash reserve or bucket strategy and spending flexibility (guardrails) hold up. This is something we will do for you at least once a year if not more often depending on life events.

Bonus Question:

6. **Are my estate plan, will and healthcare powers up to date?**
   Clients often focus so much on accumulation that these documents get skipped or go stale. Review them before retirement, and again after any major life event (marriage, divorce, death, a move to another state, new grandchildren). Key items:
   a. **Will and/or revocable living trust:** Does it reflect current wishes, assets and family situation? A trust can help avoid probate, which in California can be slow and expensive.
   b. **Durable financial power of attorney:** Who can manage finances if the client becomes incapacitated?
   c. **Advance healthcare directive / healthcare power of attorney:** Who makes medical decisions, and are end-of-life wishes written down? A HIPAA authorization should go with it.
   d. **Beneficiary designations:** Do the designations on 401(k)s, IRAs, life insurance and annuities match the estate plan? They override the will, so outdated ones are a common and costly mistake.
   e. **Titling and TOD/POD designations:** Are accounts and real estate titled so they pass where the client intends?

Expect that we will act as your quarterback to ensure that these important details are attended to.