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Retirement Readiness

A 10-domain framework for knowing where you stand

"Retirement is not an age. It is a structure."

Jordan Hyde, Founder

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Introduction: The HLG View of Readiness

Retirement readiness is not a net-worth number. It is the answer to one question: if the paycheck stopped tomorrow, does the plan still work?

This checklist walks ten domains. For each, you get the HLG view, a short checklist, and the marker that tells you whether that domain is handled. Work it section by section. Mark honestly. Patterns will show themselves.

THE HLG VIEW

A confident retirement rests on three pillars: cash flow that does not depend on market prices, taxes that are planned rather than reacted to, and risk that is transferred rather than absorbed.

If any pillar is weak, the plan is fragile. If all three hold, you can retire on your terms.

1. Income Replacement

The first question is simple. What does the check need to be, and where is it coming from?

The HLG view

Target 75 to 85 percent of pre-retirement income for the first five years. Most clients need less than they project, but underestimating here is the most common and most expensive mistake we see.

The checklist

- ☐ Baseline budget written and reviewed within the last 12 months
- ☐ Fixed expenses (housing, insurance, utilities) separated from variable
- ☐ Discretionary travel and lifestyle line items accounted for
- ☐ Guaranteed income sources mapped: Social Security, pensions, annuities
- ☐ Gap between guaranteed income and target spending calculated
- ☐ Withdrawal strategy chosen for the gap (4% rule, guardrails, bucket, income floor)

Readiness marker

You can state, in one sentence, how much you plan to spend each month and where every dollar is coming from.

2. Tax Strategy

In accumulation, taxes are a nuisance. In distribution, taxes are the single largest controllable cost. Most retirees overpay because account location and withdrawal order were never planned.

The HLG view

Tax-free is the highest-value dollar in retirement. We build toward three buckets (taxable, tax-deferred, tax-free) and pull from them in the order that keeps lifetime tax lowest, not the order that feels easiest in any single year.

2026 federal income tax brackets

Rate	Single (taxable income)	Married Filing Jointly
10%	$0 to $12,400	$0 to $24,800
12%	$12,400 to $50,400	$24,800 to $100,800
22%	$50,400 to $105,700	$100,800 to $211,400
24%	$105,700 to $201,775	$211,400 to $403,550
32%	$201,775 to $256,225	$403,550 to $512,450
35%	$256,225 to $640,600	$512,450 to $768,700
37%	Over $640,600	Over $768,700

2026 key contribution limits

Item	Single	Married Filing Jointly
Standard deduction	$16,100	$32,200
401(k) employee contribution	$24,500	$24,500
401(k) catch-up (age 50+)	$8,000	$8,000
401(k) super catch-up (age 60-63)	$11,250	$11,250
IRA contribution (+catch-up 50+)	$7,500 (+$1,100)	$7,500 (+$1,100)
HSA contribution	$4,400	$8,750

Source: IRS Revenue Procedure 2025-32 and IRS Notice 2025-67.

The checklist

- ☐ Roth vs. Traditional contribution split reviewed against expected retirement bracket
- ☐ Roth conversion windows identified in gap years between retirement and RMDs
- ☐ Withdrawal sequence planned: which accounts first, which last, and why
- ☐ Capital gains harvesting reviewed in years you can fill the 0% bracket
- ☐ RMD age confirmed (73 under SECURE 2.0; 75 beginning 2033) and modeled
- ☐ IRMAA thresholds watched ($109,000 single / $218,000 MFJ for 2026)

Readiness marker

You know your effective tax rate in retirement, you know why, and you have a plan to keep it there or drive it lower.

3. Healthcare and Long-Term Care

The largest single risk to a retirement plan is not a market crash. It is a care event that was never priced in.

The HLG view

Healthcare before 65 is a bridge problem. Healthcare after 65 is a strategy problem. Long-term care is a transfer problem. Each has its own answer, and they are not the same answer.

The checklist

- ☐ Pre-65 bridge coverage identified: COBRA, ACA marketplace, or spouse plan
- ☐ Medicare enrollment window calendared (3 months before 65 birth month)
- ☐ Medigap vs. Medicare Advantage evaluated for your situation, not the commercial
- ☐ Part D plan reviewed annually against your actual prescription list
- ☐ IRMAA impact modeled if MAGI will exceed $109,000 single / $218,000 MFJ (2026)
- ☐ Long-term care risk addressed: self-fund, traditional LTC, hybrid life/LTC, or VA benefits

Readiness marker

You have priced a 3-year care event at today rates and you know, to the dollar, where the money comes from.

4. Social Security Timing

Social Security is not a benefit. It is a lifetime contract with a shape you choose. The shape you pick at 62, 67, or 70 changes the math for the next 30 years.

The HLG view

Earliest is rarely cheapest. For married couples, the higher earner claiming decision is the biggest single number in the plan because it sets the survivor benefit. Delay usually wins when longevity is even average.

The 2026 cost-of-living adjustment is 2.8 percent. Maximum taxable earnings are $184,500. IRMAA lookback in 2026 uses 2024 income.

The checklist

- ☐ my Social Security account created and earnings record verified
- ☐ Full Retirement Age (FRA) confirmed from the SSA statement
- ☐ Break-even age calculated for 62 vs. FRA vs. 70
- ☐ Spousal and survivor benefits coordinated (higher earner usually delays)
- ☐ Earnings test understood if claiming before FRA while still working
- ☐ Taxation of benefits modeled against withdrawal strategy

Readiness marker

You can state why you are claiming when you are claiming, and you have run the numbers against at least two alternatives.

Related Vault resource: Social Security: When to Claim

5. Investment Strategy and Sequence Risk

Sequence-of-returns risk is the hidden risk of the first five years. A 30 percent drawdown at age 63 is not the same problem as the same drawdown at age 50.

The HLG view

The five years before retirement and the five years after are the fragility zone. The portfolio that got you here will not necessarily carry you through. Glide the risk down, build a cash and short-bond reserve, and separate the must-pay bucket from the growth bucket.

The checklist

- ☐ Two to three years of withdrawal needs held outside equity markets
- ☐ Equity allocation reviewed against post-retirement risk capacity, not just risk tolerance
- ☐ Rebalancing policy written and followed (threshold or calendar based)
- ☐ Concentration risk addressed (single-stock, employer stock, sector overweight)
- ☐ Fee drag measured in dollars, not percentages
- ☐ Withdrawal strategy stress-tested against a 1973-style and a 2000-style retirement

> **Readiness marker**
>
> A bad first year does not change what you spend this year, because Year 1 and Year 2 cash are already sitting there.

6. Insurance as Foundation

Insurance is the floor the rest of the plan stands on. Every uninsured risk is a future claim on the portfolio.

The HLG view

Protect first, grow second. A wealth plan without an insurance review is not a wealth plan. It is a hope.

The checklist

- ☐ Term life coverage reviewed against remaining earnings and debt
- ☐ Permanent life coverage reviewed for purpose: estate, legacy, or tax-free income
- ☐ Disability income coverage confirmed if still working
- ☐ Umbrella liability at or above net worth
- ☐ Home and auto reviewed for replacement cost and coverage gaps, not just premium
- ☐ Beneficiaries confirmed on every policy

Readiness marker

Every insurable risk above $50,000 has a written answer: insured, self-insured, or accepted.

7. Housing and Debt

Housing is usually the largest line item and the most emotional line item. It is worth planning for both reasons.

The HLG view

A mortgage into retirement is not automatically wrong, but it should be a choice, not a default. The answer depends on cash flow, rate, tax picture, and whether the alternative is equities or cash.

The checklist

- ☐ Mortgage decision made explicitly: pay off, hold, or downsize
- ☐ Property tax and insurance trajectory modeled (five-year outlook)
- ☐ Consumer debt at zero or on a written payoff schedule
- ☐ Home equity line available but unused (optional but useful)
- ☐ Aging-in-place vs. relocation conversation had with spouse

Readiness marker

Housing costs are stable, known for the next 10 years, and match the life you plan to live.

8. Estate and Legacy

An estate plan is not about dying. It is about making sure the people who love you are not left guessing.

The HLG view

Five documents form the core: will, financial power of attorney, healthcare power of attorney, advance directive, and (often) a revocable living trust. Without them, the state writes the plan, and the state is a stranger.

The checklist

- ☐ Will executed, witnessed, and stored where the executor can find it
- ☐ Financial and healthcare powers of attorney current and named
- ☐ Advance directive / living will signed
- ☐ Revocable trust evaluated (probate avoidance, privacy, continuity)
- ☐ Beneficiaries updated on every retirement account, annuity, and life policy
- ☐ Titling reviewed on real estate and major assets
- ☐ Digital assets inventory started (logins, 2FA recovery, crypto)

> **Readiness marker**
> Your spouse, or a trusted adult child, could execute your wishes tomorrow with the documents you already have.

Related Vault resource: Estate Planning Essentials

9. Identity, Purpose, and Spending Behavior

The financial plan is the easy part. The identity plan is where retirements succeed or quietly fail.

The HLG view

Most retirement unhappiness is not a money problem. It is a schedule problem, an identity problem, or a marriage-recalibration problem. Name the issue, and the money piece becomes clearer.

The checklist

- ☐ Purpose statement for the first five years of retirement written (one page)
- ☐ Weekly structure roughed out: who, what, where
- ☐ Spending plan includes travel, hobbies, giving, and grandchildren if applicable
- ☐ Couple expectations aligned (time together, time apart, shared goals)
- ☐ Social connections named and calendared, not hoped for

> **Readiness marker**
> You wake up on the first Monday of retirement and you already know what the week looks like.

10. Documentation and Records

If the plan exists only in your head, it does not exist. The HLG legacy binder makes the plan portable.

The checklist

- ☐ Master document index maintained (physical or encrypted digital)
- ☐ Account list with institution, last 4, and contact written and updated annually
- ☐ Password manager or sealed list with 2FA backup codes
- ☐ Professional contacts listed: advisor, attorney, CPA, insurance agent
- ☐ Annual "if something happens" meeting held with spouse or adult child

Readiness marker

In 20 minutes, anyone you trust could find every account, document, and professional in your financial life.

Final Readiness Self-Assessment

Count the readiness markers you can honestly claim. Scoring is directional, not absolute.

Markers claimed	Where you stand
8 to 10	Ready. Confirm and fine-tune with your advisor.
5 to 7	Close. One or two domains need a focused sprint.
2 to 4	Foundation stage. Prioritize cash flow, taxes, and insurance first.
0 to 1	Pre-plan. Schedule a working session; do not guess.

Your Next 90 Days

You cannot fix ten domains in a month. You can fix two. Pick the two weakest, work them, and bring them to your next review.

Week 1 to 2

1. Print this checklist. Mark every item honestly.
2. Identify your two weakest domains.
3. Schedule a 60-minute working session with your spouse or partner.

Week 3 to 6

4. Pull source documents for the two weak domains.
5. Build or update the spreadsheet, budget, or beneficiary list that domain requires.
6. Draft questions for your HLG review.

Week 7 to 12

7. Hold the HLG review. Confirm changes in writing.
8. Execute the two or three decisions that came out of the session.
9. Re-score the checklist. Note the new baseline.

Authoritative Resources

Every figure in this document comes from published federal sources. Bookmark these. They update annually.

Tax figures (IRS): irs.gov/newsroom
Social Security: ssa.gov/myaccount
Medicare: medicare.gov
ACA marketplace: healthcare.gov
Retirement plan limits: IRS Notice 2025-67

Disclosures

This document is prepared by Hyde Legacy Group for its clients. The content is educational and general in nature. It is not a recommendation, solicitation, or offer of any specific product, tax strategy, or security.

Tax laws change. The 2026 figures cited here come from IRS Revenue Procedure 2025-32, IRS Notice 2025-67, and SSA announcements for 2026. Verify current figures against published federal sources before relying on them.

Consult your HLG advisor, along with your CPA and attorney, before making decisions that affect your retirement, tax, estate, or insurance picture.