The 10 Biggest Retirement Mistakes (and How to Avoid Them)

A Simple Guide to a More Confident Retirement

Retirement is one of life's greatest milestones. For many people, it's something they've looked forward to for decades. But after more than 30 years of helping retirees and their families, I've learned that retirement also brings questions that can keep people awake at night.

Will I have enough? Am I making the right decisions? What if the market drops? What if my health changes? What happens to my spouse if something happens to me?

If you've ever had those thoughts, you're not alone. Nearly everyone I meet has at least one of those concerns.

The encouraging news is this: most retirement mistakes are completely avoidable. They usually aren't caused by one big decision—they're the result of a few small decisions that were never talked through with someone who could help.

My hope is that this guide helps you recognize a few of those potential pitfalls before they become problems. Retirement doesn't have to be complicated, and you don't have to figure it out by yourself. Sometimes all it takes is a simple conversation to bring clarity and confidence.

---

1. Waiting Too Long to Create a Retirement Plan

Many people spend more time planning a two-week vacation than they do planning a retirement that may last 30 years.

Without a written plan, it's impossible to know:

- How much income you'll need
- When you can afford to retire
- How long your money might last

How to avoid it:
Start planning at least 5–10 years before retirement. Update your plan annually as your life changes.

---

2. Believing the Stock Market Will Always Go Up

Many retirees have experienced long bull markets and begin to believe significant downturns are a thing of the past.

The problem is simple:
When you're working, you have time to recover.
When you're retired and taking income, large market declines can permanently reduce your retirement savings.

How to avoid it:
As retirement approaches, gradually move a portion of your assets into investments that provide stability and protection while still allowing for reasonable growth opportunities.

---

3. Depending Too Much on Social Security

Social Security was never designed to provide all of your retirement income.

For many people it replaces only a portion of their pre-retirement earnings.

How to avoid it:
Think of Social Security as one income source—not your entire retirement plan. Build additional guaranteed or dependable income streams where appropriate.

---

4. Underestimating Healthcare Costs

Healthcare is often one of the largest retirement expenses.

Many people assume Medicare pays for everything.

It doesn't.

There are deductibles, premiums, prescriptions, dental, vision, hearing, and potential long-term care expenses.

How to avoid it:
Understand your Medicare choices, budget for healthcare inflation, and have a strategy for unexpected medical expenses.

---

5. Ignoring Long-Term Care

One extended illness can dramatically affect retirement savings.

Even healthy people should consider what happens if they need assistance later in life.

How to avoid it:
Develop a long-term care strategy. That may include savings, insurance solutions, or other planning options based on your circumstances.

---

6. Paying More Taxes Than Necessary

Many retirees discover too late that retirement can still come with a substantial tax bill.

Withdrawals from retirement accounts, Required Minimum Distributions (RMDs), Social Security taxation, and capital gains all deserve attention.

How to avoid it:
Coordinate withdrawals and income sources with a tax professional or financial professional to improve tax efficiency throughout retirement.

---

7. Claiming Social Security Without a Strategy

Many people claim benefits simply because they've reached eligibility.

For some families, waiting or coordinating benefits between spouses can significantly increase lifetime income.

How to avoid it:
Review multiple claiming scenarios before making a permanent decision.

---

8. Not Having Reliable Lifetime Income

One of the biggest fears retirees share is:

"What if I run out of money?"

Relying entirely on investments means your income may fluctuate with the market.

How to avoid it:
Consider creating a dependable income floor using income sources that continue regardless of market performance, while keeping other assets available for growth and flexibility.

---

9. Forgetting Estate and Legacy Planning

Many people delay creating:

- A will
- Powers of attorney
- Healthcare directives
- Beneficiary updates

Without proper planning, families often face unnecessary stress, delays, and expense.

How to avoid it:
Keep your legal documents current and make sure your loved ones know where important information is stored.

---

10. Trying to Do Everything Alone

Retirement today is far more complex than it was for previous generations.

Investment decisions, Medicare, taxes, Social Security, income planning, healthcare, and estate issues all interact with one another.

Trying to become an expert in every area often creates unnecessary stress.

How to avoid it:
Build a team of trusted professionals—including legal, tax, and financial advisors—who can help you make informed decisions and adjust your plan as life changes.

Final Thoughts

I've had the privilege of sitting at kitchen tables, conference tables, coffee shops, and living rooms with hundreds of families over the years. I've met people with millions of dollars who were terrified they would run out of money, and I've met couples with far less who retired with confidence because they had a thoughtful plan.

What I've learned is that peace of mind doesn't come from the size of your portfolio—it comes from knowing where you stand, understanding your options, and making informed decisions before problems arise.

If, while reading this, you found yourself thinking, *"I wonder if this applies to me?"* then it's probably worth having a conversation.

Let's chat.

No pressure. No confusing financial jargon. Just a friendly conversation about where you are today, where you'd like to go, and what steps might help you get there.

Whether you're five years from retirement, already retired, or simply looking for a second opinion, I'd be honored to answer your questions and help you explore your options.

After all, retirement isn't just about protecting your money. It's about protecting your lifestyle, your family, your independence, and your peace of mind.

I look forward to meeting you—and helping you enjoy the retirement you've worked so hard to earn.

JRD/2026