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Here are 8 ways to make your savings last

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You're nearing retirement, but you haven't saved $1 million. That doesn't mean you can never retire. Here are eight financial do's and don'ts for savers with a six-figure nest egg.



1. Do: Know your number

Focus on the amount you'll need in retirement, rather than how much you've accumulated. Realize that your wants may decline as you age. Consider Social Security as your inflation-protected lifetime income stream, as well as any other pension.

Don't try to use interest and dividends for your cash flow needs. That would limit your return and eliminate inflation protection. Invest in a diversified mix of stocks and bonds, take some of your distributions out of capital gains and leave a little extra for inflation.

If you haven't saved enough to make up the difference between Social Security and your income needs, consider downsizing your home, taking out a reverse mortgage or working part time. If you're still working full time, boost your retirement plan contributions.

Consult with a qualified financial adviser who can calculate the numbers and give you an estimate of your probability of success.

2. Do: Build a safety net

Protect yourself from catastrophic events by paying for health insurance (if you don't qualify for Medicare yet), long-term-care insurance and umbrella insurance. Sit down with your attorney to draft or update your estate documents. Also, don't retire without an emergency fund of at least three to six months of living expenses.

3. Don't: Claim Social Security without a strategy

If you take your Social Security benefits and plan to continue working part or full time, your benefits could be reduced. If you are younger than full retirement age, your Social Security benefits will be reduced by $1 for every $2 earned over $24,480 (for 2026).

It's best not to claim benefits until you know you won't be dinged. If you wait to claim past 67, your benefits will grow 8% a year to 124% of your standard monthly benefit. Consider:

What is your life expectancy? If you wait, the higher benefits take many years to make up for the years you could have collected Social Security earlier.

How badly do you need the money now?

Will claiming Social Security negatively affect your ability to do Roth conversions?

4. Do: Manage taxes before and during retirement

Roth conversions are an important tool during the years between retirement and required minimum distributions. An accountant or adviser can help figure out how much to convert year by year to:

- Not jump up in tax brackets.
- Not convert more than you need to equalize pre- and post-RMD tax brackets.
- Not create an issue with Medicare premiums by passing income limits (known as income-related monthly adjustment amounts).

If you convert too much, you might pay too much tax at high brackets during your pre-RMD years. This could result in paying very little or no taxes later on when RMDs are minimized. The result: You've cost yourself more in total taxes, and accelerated the payments.

5. Don't: Ignore RMDs and Medicare

As your taxable income rises, so do your Medicare premiums. For example, a single filer in 2026 with modified adjusted gross income of $109,000 pays the standard Part B premium of $202.90 per month. If their income increases by just one extra dollar to $109,001, their premium jumps to $284.10 per month!

6. Do: Eliminate high-cost debt

The best thing you can do for your financial security is to avoid credit card debt because of its high nondeductible interest rates. So pay the balance in full each month.

Your debts' amount and structure, whether car loans or leases, mortgage debt, or equity loans, can have a huge impact on your retirement years. Analyze interest rates and the opportunity cost of paying them down.

7. Do: Stress-test and update your retirement plan

By running the plan under different assumptions, you can make better decisions about normal spending and about adjustments in different scenarios, like:

- Stocks fall 30%.
- Inflation remains elevated.
- One spouse dies prematurely.
- Long-term care is needed.
- Social Security is delayed.
- A major home repair is needed.

• Retirement lasts into the 90s. Then revisit your plan after the death of a spouse, changing residences, tax law changes, receiving an inheritance, etc.

8. Don't: Assume six figures is enough — or not enough

Your financial security depends more on your purchasing power than your portfolio balance. Certain costs will increase due to inflation, like healthcare, groceries, entertainment, and rent. But fixed mortgage payments are not affected by inflation.

Thus, your required portfolio draws will increase annually due to inflation even if you don't change your lifestyle. You can navigate this by structuring your investments and withdrawal strategy to be tax-efficient. Implement a flexible spending strategy that reduces discretionary spending during periods of high inflation or poor market returns.