

Date: [Insert Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

Dear [Client Name],

Subject: Comprehensive Retirement Income Strategy

Thank you for the opportunity to review your financial goals. This letter outlines our proposed strategy to ensure a sustainable and tax-efficient income stream throughout your retirement years.

1. Executive Summary

Our objective is to balance your desired lifestyle expenses with long-term capital preservation. Based on your current assets and projected timeline, we have developed the following multi-layered approach.

2. Income Sources and Tiering

- **Guaranteed Income:** [Social Security, Pension, or Annuity details]
- **Systematic Withdrawals:** Scheduled distributions from your [Brokerage/IRA] accounts.
- **Dividend & Interest:** Yield-generating assets to provide liquidity without selling principal.

3. Asset Allocation and Bucketing

To manage market volatility, your portfolio will be divided into three "buckets":

- **Short-Term (1-2 years):** Cash and equivalents for immediate spending.
- **Intermediate-Term (3-10 years):** Fixed income and bonds to provide stability.
- **Long-Term (10+ years):** Equities and growth assets to combat inflation.

4. Tax Optimization Strategy

We will utilize the following methods to minimize your tax liability:

- Strategic Roth conversions during low-income years.
- Tax-efficient withdrawal sequencing (Taxable accounts first, followed by Tax-Deferred).

- Management of Required Minimum Distributions (RMDs).

5. Risk Management

This strategy includes protections against longevity risk, healthcare inflation, and potential market downturns through diversified holdings and maintaining an adequate emergency reserve.

6. Next Steps

Please review this summary. We will schedule a follow-up meeting on [Date/Time] to discuss the implementation of these recommendations and address any questions.

Sincerely,

[Advisor Name]
[Company Name]
[Phone Number]