Robert's Retirement Planning Roadmap

Executive Summary

Prepared for: Robert (synthetic persona) | March 2026

This synthetic executive summary distills a comprehensive 80+ page retirement planning analysis into the key findings, decisions, and action items that matter most. It is included as a public proof artifact for document structure, traceability, and output quality - not as financial, tax, legal, or investment advice.

Public-sharing note: Robert is fictional. This sample is intended to demonstrate how the pipeline organizes a complex scenario into evidence-backed findings, action items, data gaps, and an executive-ready summary.

Synthetic Persona Snapshot

Age & Status	Portfolio	Retirement Plan
Age 66, single filer Engineering manager synthetic scenario	**$5.29 million** total 5 accounts across Vanguard, Schwab, Jackson	**Age 68 (2028)** target 2 adult children (34, 31) $115K/yr living expenses

The Five Key Findings

1. The Roth Conversion Window Is the Highest-Value Planning Lever

A five-year conversion plan (2026–2030) targeting approximately **$1,190,000** in conversions from the Vanguard Rollover IRA is projected to generate **+$765,700 in additional portfolio value** by age 95 compared to no conversions. This benefit comes from tax-free Roth growth, RMD elimination on converted dollars, and exploitation of the income trough between retirement (2028) and RMD onset (2033). Every year of delay shrinks the compounding advantage.

Projected portfolio at age 95: $11.69M with conversions vs. $10.92M without

2. A Once-in-a-Lifetime Tax Trajectory Creates the Optimal Window

Robert's effective federal tax rate drops from **29–35%** during working years to just **11.5%** during the 2031–2032 "deep trough" (ages 71–72), then climbs back to 22–24% once RMDs begin at age 73. This two-year valley—when Roth conversions have ended but RMDs have not yet started—is the optimal window for the annuity exit, the 3M stock sale, and any other controllable taxable events. The IRMAA lookback to these low-income years also produces a Medicare premium holiday in 2033–2034.

Phase	Ages / Years	Marginal Rate	Key Driver
Working	66–67 (2026–27)	32–35%	Salary + conversions
Retirement	68–70 (2028–30)	22–35%	Conversions declining
Deep Trough	71–72 (2031–32)	11.5–12%	No conversions, no RMDs
RMD Onset	73+ (2033+)	20–24% rising	RMDs growing annually

3. The Jackson National Annuity Should Be Exited During the Deep Trough

The $720,000 fixed deferred annuity carries an estimated $120,000 in embedded taxable gain, all taxed as ordinary income upon withdrawal. Exiting during 2031–2032 at a 22–24% marginal rate saves approximately **$8,000–$12,000** in federal tax compared to exiting during working years at 35%. More critically, the annuity does not receive a stepped-up basis at death—every year held is an estate planning cost. Exiting and reinvesting in a TOD brokerage account could save Robert's children **$48,000+** in inheritance taxes through the stepped-up basis.

4. The 3M Stock Cost Basis Must Be Recovered Before Any Sale

Vanguard reports the cost basis on the $105,000 MMM position as "N/A." Without documentation, the IRS defaults to $0 basis, treating the entire $105,000 as taxable gain. Recovering even a $45,000 basis saves **$6,750–$8,460** in federal tax. Computershare (3M's transfer agent) is the most likely source for historical ESPP transaction records. Each year that passes makes records harder to find.

5. Two Critical Unknowns Block the Entire Conversion Schedule

The 401(k) in-service rollover eligibility and the annuity maturity date together determine the optimal Roth conversion schedule. If the 401(k) can be rolled while still employed, it expands the conversion pool by $1,290,000 during working years. If the annuity matures during the trough, its exit must be coordinated with reduced conversions that year to avoid bracket stacking. Until both are resolved, the conversion schedule is provisional.

Single Biggest Risk: Each year of delay narrows the Roth conversion window. A conversion done in 2026 has 29 years to compound tax-free; one delayed to 2030 has only 25. Resolving both unknowns within 30 days is the single most valuable action Robert can take.

Portfolio Overview

Account	Custodian	Type	Balance	% Total
Rollover IRA	Vanguard	Pre-tax IRA	$1,520,000	28.7%
Traditional IRA	Vanguard	Pre-tax IRA	$1,180,000	22.3%
401(k)	Schwab	Pre-tax 401(k)	$1,290,000	24.4%
Taxable Brokerage	Vanguard	Taxable	$580,000	11.0%
Fixed Deferred Annuity	Jackson National	Tax-deferred	$720,000	13.6%
TOTAL			**$5,290,000**	**100%**

Section-by-Section Synopsis

I. Roth Conversion Strategy

Five-year conversion schedule from the Vanguard Rollover IRA: $280K (2026), $290K (2027), $240K (2028), $200K (2029), $180K (2030)—totaling $1,190,000. The 2026 conversion pushes into the 35% bracket, but 30-year tax-free compounding justifies the upfront cost. A conservative alternative would cap 2026 conversions at the 32% bracket threshold (~$210K–$230K), reducing the 2026 tax bill by $18K–$25K at the expense of some long-term Roth benefit. If the 401(k) in-service rollover is available, the conversion pool expands by $1,290,000 during working years.

II. Tax Planning — Year by Year

AGI drops from ~$519K (2026) to ~$66K–$70K during the 2031–2032 trough, then climbs back above $239K when RMDs begin. Lifetime federal taxes with the Roth strategy total ~$2,613,400. Total IRMAA surcharges are estimated at ~$85,200 over 15 years, factored into the net benefit calculation. A CPA specializing in retiree tax planning should be engaged before the first conversion in 2026; TurboTax is no longer adequate for this level of complexity.

III. Income Sequencing & Decumulation

Optimal draw order: taxable brokerage first, tax-deferred accounts second, Roth last. Annuity exit during the deep trough. Social Security at age 68 (~$42,800/yr with 2.5% COLA). Monthly retirement cash flow estimated at ~$10,850/mo by 2029. The stable value fund (4.8% yield) should be retained until mid-2027, then liquidated 12 months before retirement to satisfy the put provision.

IV. Fixed Annuity Analysis

The Jackson National $720K fixed deferred annuity carries estimated 1.3–2.3% in credited rate spread (embedded fees). The enhanced death benefit rider provides minimal value for a fixed annuity (protects against an impossible event—account loss—in a product with guaranteed principal). Optimal exit timing is 2031–2032, contingent on confirming the surrender period end date. The annuity is the worst inheritance vehicle in the portfolio due to no stepped-up basis at death.

V. 3M Stock & Cost Basis

The $105,000 MMM position was acquired through a prior employer ESPP, complicating basis calculation. Primary recovery path: Computershare transaction history (Form 3922, DRIP records, purchase dates and prices). If basis is unrecoverable, alternatives include: accepting $0 basis and selling in the trough, donating appreciated shares for a charitable deduction, or holding for stepped-up basis at death. The position represents 2% of the portfolio—concentration risk is manageable but should be addressed.

VI. Medicare & Health Insurance

IRMAA surcharges will be elevated during conversion years (2026–2032) due to the two-year lookback, then drop to $0 in 2033–2034 when the lookback hits the deep trough. Filing SSA-44 (life-change exception) within 30 days of retirement provides modest but real premium savings. All major dental, vision, and hearing work should be completed before employer coverage ends, as Medicare coverage is limited.

VII. Liquidity & Cash Reserve Planning

Current cash allocation (~$1,050,000 in VMFXX and stable value) is significantly over-allocated. Recommended three-tier framework: Tier 1 operating reserve ($175K in VMFXX), Tier 2 home/vehicle capital ($60K–$100K in BSV), Tier 3 remainder redeployed to diversified portfolio. Approximately $525K should be moved from cash to bonds and equities, phased over 3–6 months.

VIII. Longevity & Estate Planning

Portfolio projects to $10.1M at age 90 and $11.4M at age 95—no risk of running out. For two adult children, the Roth IRA is the most favorable inheritance vehicle (tax-free over 10-year distribution), taxable brokerage is favorable (stepped-up basis), and the traditional IRA/401(k) and annuity are the least favorable. QCDs of $10K–$20K/year starting at age 73 would save $2,400–$6,400/year in taxes. Cognitive risk planning requires executing a Durable Power of Attorney naming the elder child as agent while Robert is fully capable.

IX. Advisor Roadmap & Delivery

Full year-by-year roadmap from age 66 through 85+ is provided. The Panama rental property strategy (Q4) was definitively rejected: the 401(k) withdrawal required to fund it would trigger ~$400K+ in immediate federal tax, combined with foreign reporting burden and operating complexity that make it categorically inferior to the current plan.

Three Most Urgent Actions

These three items are time-sensitive blockers. Each should be completed within 30 days.

#	Action	Who / Contact	Why Now
1	Request annuity contract, surrender schedule, and death benefit rider cost disclosure from Jackson National	Robert → Jackson National (number on statement)	Cannot determine exit timing or tax impact without surrender period end date
2	Obtain 3M cost basis records from Computershare	Robert → Computershare	Records harder to find each year; $6,750–$8,460 in potential tax savings at stake
3	Confirm 401(k) in-service	Robert → Schwab	If eligible, $1.29M

	rollover eligibility	Retirement Plan Services	becomes available for Roth conversion immediately

Critical Data Gaps

These four gaps block completion of one or more analyses. A section document cannot produce a final recommendation without them.

Data Gap	Impact if Unresolved	Source
401(k) in-service rollover eligibility	Cannot determine if $1.29M enters Roth conversion pipeline during working years; schedule remains provisional	Robert → Schwab
Annuity surrender period end date	Cannot determine if exit is penalty-free or calculate optimal exit year	Robert → Jackson National
Annuity original premium (cost basis)	Cannot calculate taxable gain at exit; all exit tax estimates are assumptions	Robert → Jackson National
3M (MMM) cost basis documentation	IRS defaults to $0 basis; entire $105K treated as gain; $6,750–$8,460 tax at risk	Robert → Computershare

Open Items Status Summary

Of the 31 open items tracked across all nine sections:

Status	Count	Meaning
Addressed	**21**	Analysis provided; actionable recommendation made
Partially Addressed	**5**	Framework provided; depends on one or more data gaps

Requires Data	**3**	Cannot be answered until a specific gap is resolved
Requires Professional	**2**	Requires licensed CPA, attorney, or advisor action

How to Use the Full Synthetic Report

The comprehensive report is organized into nine analytical sections, a cross-section synthesis showing how decisions in one area affect another, a master action plan with four prioritized timeline tables, an open items tracker (31 items), a data gaps registry (18 items), and a portfolio snapshot appendix. Start with the section that addresses your most pressing question, or read front-to-back for the complete picture.

If you want to know about...	Go to...
Roth conversions and when to start	**Section I**
Year-by-year tax picture	**Section II**
Which account to draw from first	**Section III**
Jackson National annuity fees and exit plan	**Section IV**
3M stock and cost basis	**Section V**
Medicare costs and IRMAA	**Section VI**
Home repairs and emergency cash	**Section VII**
Estate planning, QCDs, and cognitive risk	**Section VIII**
Full roadmap and next steps	**Section IX**
How decisions affect each other	**Cross-Section Synthesis**
What to do and when	**Master Action Plan**

This executive summary is derived from Robert's Retirement Planning Roadmap, a synthetic demonstration report prepared March 2026. Robert is a fictional persona, and the portfolio, account structure, planning facts, and action items are synthetic scenario data. The sample uses the Bogleheads Retiree Portfolio Model (RPM v26.2) as the planning-model context for this demonstration. These are illustrative planning estimates, not guarantees of future performance. This document is included to demonstrate the pipeline's structure, traceability, formatting, and decision organization; it is not financial, tax, legal, or investment advice.