

First Year of Retirement: What to Expect

There's a moment early in retirement that surprises a lot of people.

They wake up, and there's nowhere to be. No commute. No quick check of the inbox before coffee. Just a quiet morning that's all yours to enjoy however you wish.

At first, that quiet can feel wonderful. After years of deadlines and responsibility, maybe even a relief.

And then, somewhere in those first few months, another thought creeps in:

Now what?

It's a more common phenomenon than you might expect. Research shows that retirement is much more than a schedule change. For many people, it's an identity shift. You've spent years being known for what you do. When that role changes, it's natural to feel a little unsteady.¹

That doesn't mean something is wrong. It means you're just adjusting to your new schedule.

The first year of retirement isn't about filling your time; it's about finding your rhythm.

The “Honeymoon” Phase (and What Comes After)



Some retirees describe the first few months after retirement as a “honeymoon phase,” during which they focus on travel, projects, and catching up on rest. After the honeymoon glow wears off, many begin asking deeper questions about how they want to spend their time and energy.¹

It's not only normal to ask those questions, but necessary. Our careers give us more than income. They provide structure, social interaction, and a sense of purpose. When that structure is no longer part of your daily routine, it can be difficult to fill the gap.

Over time, most retirees begin building new routines around things they find meaningful. That might mean volunteering, mentoring, traveling, learning something new, or simply spending more time with family. Research shows that adults age 65 and older spend more hours each day on leisure and personal activities than working-age adults. That's not just “free time.” It's an opportunity.²

Income Feels Different in Retirement

One of the biggest adjustments in the first year is how income arrives. For decades, income likely showed up as a paycheck.

Many retirees don't expect how spending feels emotionally in retirement. Even when income sources are stable, transferring money from savings can feel more eventful than it did during working years. After decades of being encouraged to save, the shift toward spending can take practice.

It can help to separate essential expenses from flexible ones. When you know your core needs are covered, the rest becomes a series of intentional choices rather than a source of worry. Over time, confidence often grows as retirees see that their financial approach is working as intended.

The good news? The first year gives you space to observe and adjust. Spending patterns often settle once retirees see what everyday life actually looks like.

It's not about getting everything perfect immediately. It's about building confidence over time.

Spending patterns often settle once retirees see what everyday life actually looks like.

What Do You Do With 40 Extra Hours?



Social connections can shift, too. Work friendships naturally evolve, which makes room for new communities through volunteering, clubs, travel groups, continuing education, or faith organizations.

Volunteering is especially common in retirement. In fact, more than one-quarter of adults age 65 and older report volunteering in a given year. For many retirees, it's not just about giving back. It provides structure, social connection, and a sense of purpose.³

Travel is another goal many retirees revisit. Some take multigenerational trips. Others explore slower travel or finally visit places they've postponed for years.

And sometimes, retirement isn't about big ideas at all. It's about simple things. Reading more. Gardening. Taking a class. Returning to an old hobby. Another common experience in the first year is something few people talk about: decision fatigue.

When you're working, much of your day is mapped out for you. In retirement, that structure disappears. Suddenly, it's up to you to decide what today looks like. And tomorrow. And next month.

That freedom can feel overwhelming at first.

Some retirees find it helps to build a routine into the week. Maybe that's volunteering every Tuesday. Meeting friends for lunch on Thursdays. Taking a class that gets you out of the house once a week, or setting aside certain mornings for exercise or hobbies.

It's not about maintaining a rigid schedule, though; it's about creating something to look forward to. That excitement for the next day is what helps make retirement feel grounded.

The Practical Side of Year One

Along with emotional and lifestyle changes, the first year is a practical reset. Many retirees use this time to:

- Review estate documents
- Confirm beneficiary designations
- Revisit healthcare directives
- Evaluate insurance coverage
- Understand the pros and cons of various income sources

Financial professionals can help clients think through income coordination. Tax-specific questions should always be discussed with a tax, legal, or accounting professional, and legal updates should be addressed with an attorney.

Healthcare coverage is another area to review, especially when making decisions about extended care.

Giving Yourself Permission to Enjoy It



After years of saving and preparing, some retirees feel hesitant to spend. That's understandable. Shifting from a saver's mindset to spending intentionally can take time.

But retirement isn't just about managing money. It's about using it to support the life you want to live.

Life expectancy data suggests that many retirees can expect to live for decades in this next chapter, which means you'll need to take time to think carefully about your financial decisions.⁴

If you're in your first year or approaching it, consider asking yourself a few simple questions:

- What am I ready to let go of?
- Where do I want to feel useful?
- Where do I want to feel rested?

You don't have to answer them all at once. Retirement unfolds in stages, and as spending and routines settle, uncertainty often fades.

The first year of retirement isn't a test. It's a transition. And it's okay to take it one step at a time.

1. AARP, May 28, 2025.
2. U.S. Bureau of Labor Statistics, 2024 Annual Averages
3. U.S. Bureau of Labor Statistics, 2024 Volunteering Data
4. OECD, N.D.

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