

# 401(k) DAY<sup>®</sup>

# KNOW YOUR NUMBERS

The Know Your Numbers 401(k) Day campaign has been designed to give you a quick and simple checklist for managing your savings and retirement. Use this checklist to help you make note of important information as you work to achieve financial wellness. **Fill in your numbers in the spaces provided.**

## Your Account Numbers

- What is your account balance?
- How much money are you contributing each paycheck?
- How much are you contributing pre-tax?
- How much money are you contributing as Roth/after-tax (if your plan permits)?
- How much are you contributing in catch-up contributions? (applicable if 50 or older)
- Are you getting a match? If so, how much do you get?
  - Are you contributing enough to get all the match your employer will give you?
- Are you automatically increasing the amount you are saving each year? Yes/No, What % each year?  
*If you aren't automatically increasing, it's a great idea to do so!*
- Do you have a loan?
  - How many loans do you currently have?
  - What is the amount each pay period you pay on your loan(s)?
  - How many more months do you have to pay off the loan(s) you have?

## Investments

Your plan provider likely has a questionnaire to help you determine your risk tolerance. Ask your employer to guide you to this questionnaire.

- What is your risk tolerance? (i.e. conservative, moderate or aggressive)
- Years to retirement - how many years until you plan on retiring?
- How many investment options are you invested in? (Count a target date fund (TDF) as 1 fund)
- Are you in more than 1 TDF? If yes, how many?
- How much \$ do you have in each fund you're invested in?
- What % are you contributing to each fund each pay period?
- What % are you contributing each paycheck to the target date fund (if provided in your plan)?
- Is your account set up to automatically rebalance to your desired investment allocation periodically?  
*If your account is not rebalancing automatically, find out if this feature is available.*
- If available to you, what % of your total account is invested in the target date fund (TDF)?
- What is your personalized rate of return, meaning how much is your account earning annually?

**Retirement Savings**

- Are you on track to have enough \$ when you retire? *(check with your plan provider for calculators to determine this)*
- Monthly income: how much money each month will you need to live on when you retire? *(Your plan provider may have a calculator to determine this amount for you.)*

What other money will you have to fund your retirement? *(enter below the monthly or annual \$)*

- Social Security
- Savings accounts, CDs, or other cash accounts
- IRA(s)
- Annuity
- Spouse's accounts (401(k), savings, SS, etc.)
- Other

**Healthcare Insurance**

How much \$ will you need during retirement to cover your healthcare premiums and your portion of care for medical, dental and vision?

- For yourself
- For your spouse (if applicable)

Do you have a Health Savings Account (HSA)?

- If yes, what is your balance?
- How much are you contributing monthly/annually?
- Does your employer contribute? If yes, how much either monthly or annually?
- Are you investing your HSA balance?

*If you are not investing your HSA funds and wish to do so, contact your provider or employer as this is a great opportunity to grow your retirement income.*

**Medicare**

**Medicare benefits are especially important to your retirement planning and determining when to start receiving coverage is subject to a process with deadlines. The typical age to be on Medicare is 65; however, you may start earlier based on certain conditions, such as disability.**

- At what age do you plan to start using Medicare?

Part A, hospital insurance, is free!  
 Part B, medical insurance cost: standard premium amount is \$170.10/month in 2022 if your income is <=\$91,000 for individuals or <=\$182,000 for couples. Additional premium is required for income above these amounts.

- Part B - enter the amount of premium you expect to pay each month

**For more information on Medicare go to**  
<https://www.medicare.gov>

**Taxes:**

**Contributions to 401(k), 403(b) or 457 plans are typically not taxed until funds are withdrawn. There is a 10% penalty if you withdraw prior to age 59 1/2, unless certain circumstances have determined otherwise. Check with your tax advisor on penalty rules.**

*If you have made ROTH contributions, you will owe no tax when you take money from your ROTH portion!*

**If you are no longer working and you still have money in a former employer's plan or in an IRA, you must start taking money out at age 72.**

- Does this apply to you? (yes/no)
- If yes, how much must you take out of each of your accounts this year?
- How much tax will you pay on this withdrawal?

Taking a withdrawal before age 59 1/2? Figure out how much tax and penalty (if applicable) you'll pay:

- What is the Federal tax amount owed?
- What is the state tax amount owed?

## Social Security (SS)

Your Social Security benefits are subject to the Social Security Administration's Full Retirement and Age Benefits Reduction Chart. If you delay collecting your social security benefit until age 70, you can maximize your benefit. Go here to determine your retirement age.

<https://www.ssa.gov/benefits/retirement/planner/agereduction.html>

Full retirement age is 66 if you were born from 1943 to 1954, age increases gradually to 67 if you were born from 1955 to 1960. If born in 1960 or later full retirement age is 67. Early retirement age is 62 but benefits are reduced. If you delay until age 70 you get the most money.

- Enter the age you plan on starting your benefit
- How much will you get monthly from SS? (go to the SS website to find out)

Your income from Social Security is taxable if you have other substantial income such as wages, self-employment wages, interest, dividends and any other taxable income that must be reported on your tax return. To find out the percent of tax you may pay go to the SS website.

- What tax % will you pay if you will have other income besides SS?

For more information on Social Security go to

<https://www.ssa.gov>

## Life in Retirement

Your life in retirement may be similar as when you were working. But, at some point you may need to change where and how you live.

- How much are your current monthly expenses? (yes, you should create a budget!)
- What do you estimate your monthly expenses to be in retirement?
- What do you estimate your annual expenses to be in retirement?

### Housing

- How much are you paying for your mortgage or rent monthly?
- If you own a home, will you have your mortgage paid off by the time you retire? (Yes or No)
  - How many months do you have left to pay on the mortgage?
- How much is your annual homeowners insurance?
- How much are your property taxes annually if you own your home?
- Long term care: do you have a long term care insurance policy?
  - If yes, what is the daily rate you will get if you use it?

## Legacy Planning

- Do you have an updated will or estate plan?
- Do you intend to leave money to your heirs?
- Do you have a detailed list of all your accounts, insurance policies, etc. and do your heirs know know where to find the list?
- Are your retirement plan and insurance beneficiaries up to date?