Retirement and Economic Well Being D2L Day Worksheet

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| Desired Profession:  Embedded Systems Programming | Desired State:  CO | Average Yearly Income: | Average Monthly Income: |
| 401(k) Calculator; Assume 3% contributions, moderate returns (7-10%), and working for 45 years/retiring at 67 | Amount in 401(k) at retirement: | Yearly amount over 20 years: | Monthly amount each of those 20 years: |
| Social Security Retirement Calculator; put in your real birth year, your profession’s average salary, and retirement year of when you turn 67 | First, estimate benefits in today’s dollars: | Then estimate benefits in inflated dollars: | Which one makes more sense for you? If you are close to retirement, the first is more accurate. Far away from retirement? The second is more likely. |
| Combined Income, 401(k) + Social Security | Monthly income: | Yearly income: |  |

What might your budget look like? What would happen if you lived longer than 20 years past retirement? What would happen if you had major unplanned expenses? Would there be enough left for a funeral (average cost now: $9,000)? And what would happen if the stock market tanked and took your 401(k) with it? Reflect upon this assignment and consider the economic precarity of elders.

Assuming these estimates are actually valid, my budget wouldn’t change too much from what it would’ve been before retiring. The field I’m trying to get into is quite high paying, and that sets me up better than most people. However, I plan on living considerably below my pay grade and saving more that this calls for which is even better. I also doubt these estimates are even close to what’s actually going to happen. For all I know, I’ll end up a cyborg that lives to be 300. Here’s to working for the next 250 years!

Even if these estimates fall short, some practical saving will leave me better prepared than most, just because of the high paying field I’m aiming for. Losing my 401(k) would certainly tank those plans, but there’s not a whole lot I can do about that.

This assignment does make me wonder what retirement in other countries looks like. I’m quite interested in moving to another country like New Zealand, which very probably has different systems and cultural expectations.