

Retirement Planning Today[®]

— VIRTUAL CLASSROOM GUIDE —

APPENDIX

2022

APPENDIX A: PRE-COURSE ASSESSMENT

Giving your participants an opportunity to reflect early on in your course through a pre-course survey can help set the stage for a successful presentation. Good news—we've already set one up for you! This survey will help you tailor your course to the specific interests of your participants and also help you determine if there will be specific technology challenges. Reach out to your contact manager for more information.

APPENDIX B: ICEBREAKERS

WHERE IN THE WORLD?

This activity is a good Zoom icebreaker for getting to know people's names and a way to liven up the atmosphere and get people smiling and talking.

1. Have all participants turn on gallery view, so they see themselves and everyone else on the call in a grid format.
2. The host asks, "Where in the world (or on your screen) is (Name)?"
3. Everyone on their screen points to where that person is in relation to their own photo on the Zoom chat (up/down/diagonal/etc). This works well as everyone's grid format is randomized on Zoom, so the person will be in a different part of the screen for each person.
4. The person selected then asks another person whose name hasn't been said, and the game continues until all people have been "selected."

This game works well create a relaxing atmosphere, but still remain professional and help match people's names to faces. It should only take around 5-10 minutes, depending on the size of your call.

WOULD YOU RATHER?

This one is well-known from elementary school, but works just as well in a professional setting. After asking a question, (for example, would you rather have pancakes or waffles for breakfast?) ask participants to raise either one or two fingers for the given answer.

Questions can range from travel destinations to food to something closer to your own profession, depending on how casual or professional you want the icebreaker to be. While one of the simpler icebreakers, it's quick and can get people talking on why they chose one option or the other. Can be played in under 5 minutes.

APPENDIX B: ICEBREAKERS

RAISE YOUR HAND

A variation of Would You Rather, this icebreaker is also a great way for people to find out how to utilize the “raise hand” feature on Zoom, and for the host to get used to seeing the icon. After making a statement, (“I always have coffee with my breakfast”), have everyone use the “raise hand” button if they do the same. Then pass it off to the next person, so everyone gets a chance to speak.

This game can take anywhere from less than 5 to 10-15 minutes, depending on the group size. In addition to introducing the raise hand feature, having everyone be able to speak can pull some participants who would be less likely to ask questions (or use the raise hand button) feel included in the meeting.

QUESTION WHEEL

This one takes a little bit longer to set up, but can really get people talking if you set aside the time for it (10-20 minutes). Go to a site like Wordwall.net (or another wheel generator online) and create a wheel with 5-10 questions, depending on the size of the group. They can be silly (“What was your last snack?”) or more professional (“Tell us about one workplace problem you recently overcame”).

After the wheel is selected, pull it up on your browser and then share your screen. Select one person on the call to “spin” the wheel (The host will actually have to click to spin), and answer the question provided. Give the participant a reasonable amount of time to answer, and then move on to the next person until everyone has gotten the chance to speak.

This is a good way for people to learn more about each other, and gives participants more time to speak on a certain subject than some of the other icebreaker games. If you just want some basic speaking questions this wheel has a variety of get-to-know-you questions to get participants talking.

APPENDIX B: ICEBREAKERS

ZOOM “BINGO”

Another fun 5-10 minute exercise, but it requires a large group (around 12 people). Zoom “Bingo” has everyone enter a gallery view (grid) format, like in “Where in the world?” The host asks a simple question where many people might have the same answer (“What did you last drink?”, “What other languages do you speak?” or “What kind of pet do you have at home?”). Participants then write down their answer on a sheet of paper and hold it up to the camera for everyone to see.

Like in “Where in the world?”, this works because everyone’s gallery view is random from others. Whoever has a straight line (across/diagonal/vertical) of all the same answers yells “Bingo!” and wins. For added verification, you can always ask the winner to send a screenshot into chat to prove their claim.

Especially on long Zoom meetings, after a break for snacks/water participants might feel a bit drowsy or tired. These three energizers can be a way to keep people engaged through the second half of presentation.

TOUCH BLUE

This one is a simple energizer that doesn’t require participants to move far from their desks, and works great after a longer break to get people back into the session. Ask participants to touch or hold up something of a certain type (for example, something that is blue, or something warm)—the challenge being that they can’t move off camera to do so.

In this 5-minute energizer, the last person to touch/hold up an object has to pick the next adjective (or, if you want to be a bit more competitive, is eliminated until only one person remains).

APPENDIX C: ENERGIZERS

40 SECONDS

“40 seconds” lets you touch base with people on how they’re doing during the meeting. Tell people that, in one minute, you’ll be asking them to express how they feel about the meeting (or a certain topic you’re discussing) in 40 seconds or less. From there, it’s just a matter of going through the call and hearing everyone’s perspective.

This activity works best at exactly 40 seconds, as it’s just enough time for people to get their thoughts out, but not enough to overthink. With 10 seconds remaining, hold up both hands on your screen to show the person to wrap things up. It’s okay if they go a bit overtime, so don’t be too stringent on the cut-off.

The best part about 40 seconds is that, in as little as 5-10 minutes, you can get a feeling how people are doing during the meeting, while also getting them back into the habit of talking on video.

WALKABOUT

This is a good tool to have when you see people’s energy and attention flagging. Put on a song or similar timed audio piece and ask your participants to get up and walk around for the duration of the music. Three to four minutes to move can be great to get people awake and re-energized during longer Zoom calls, and can lift energy when it is flagging (which happens more often through virtual calls than it would be in an in-person meeting).

On a longer Zoom call, consider putting this in at least every 45 minutes to an hour to keep people’s attention for the duration of the call.

APPENDIX D:

ASKING DISCOVERY QUESTIONS

One of the best ways to get your participants thinking and involved in the conversation is to ask discovery questions. The point is to get participants to self-discover what their challenges are. This sets the stage for working together to craft solutions.

With discovery questions, you may have to allow for awkward silence. Be patient and pause after asking—your participants might need to think for several seconds before they answer.

1. LIFE PLANNING FOR RETIREMENT

- What do you want to do in your retirement?
- How much money will you need?
- If you could do something where money is no object, what would it be?
- Are you mentally ready for retirement?
- What age do you want to retire? Does your partner know this?
- Do your plans coincide with those of your spouse?
- What do you want to accomplish in the last 3rd of your life?
- Will you work post-retirement? Will your partner?
- Are you looking for an “encore” job (A fun job or hobby that you are passionate about)?
- What’s the most important thing you want to accomplish? Imagine a puzzle with 1,000 pieces scattered on a table. What’s the single most important piece of the puzzle?
- What kind of legacy do you want to leave?

APPENDIX D: ASKING DISCOVERY QUESTIONS

2. RETIREMENT NEEDS AND EXPENSES

- How confident are you that you will have enough money to live comfortably throughout your retirement?
- Are you financially prepared to weather an unexpectedly early retirement?
- How long do you need your money to last?
- Are you aware of the impact of inflation on your savings?
- How much will you need to retire? How many of you have a number in mind?
- How many of you have tried to calculate how much you will need to save for retirement?

3. RETIREMENT ROADBLOCKS & MISTAKES

- What is the biggest mistake you've made in planning for your retirement?
- How many of you know of retirement horror stories that have happened to friends or family?
- Is your debt efficiently structured?
- Have you calculated your yearly cash flow? How about your net worth?
- Is compounding interest currently working for or against you?
- What are the best strategies for reducing your tax liability?

APPENDIX D:

ASKING DISCOVERY QUESTIONS

4. RETIREMENT INCOME SOURCES

- How many of you know the difference between a Traditional IRA and a Roth IRA?
- What are some ways you can maximize your retirement savings?
- Are you aware of how much of your money goes to the government?
- When can you start withdrawing Social Security? When should you?
- What strategies maximize your Social Security?
- Do you have defined benefit plans, defined contribution plans or both?
- Have you thought about how you'll balance your different retirement income sources?
- Are you aware of how 401(k) catch up contributions work?
- What other sources of income can/should you use to pad your retirement savings?
- How important is it to choose a retirement account beneficiary?

5. RETIREMENT PLAN DISTRIBUTIONS

- If you were to leave your job, what should you do with your employer-sponsored retirement plan or 401(k)?
- Are you aware of the potential tax penalties for early withdrawals?
- What is the difference between a rollover and a transfer?
- What do you know about annuities?
- Are you familiar with the three primary methods of retirement distribution?
- When do early withdrawals from your retirement plan make sense?
- When must you begin taking out Required Minimum Distributions?

APPENDIX D: ASKING DISCOVERY QUESTIONS

6. INVESTMENTS

- Why is it important to consider your time horizon?
- What are the pros and cons of investing in bonds?
- What does a bond credit rating tell you about risk?
- Do you understand the difference between corporate bonds and municipal bonds?
- Are you aware of the inverse relationship between interest rates and bond prices?
- Do you understand the risks involved in owning investments?
- What are the advantages/disadvantages of owning stocks?
- What determines stock prices?
- What's the difference between a growth stock and an income stock?
- Why would someone choose a mutual fund over a stock?
- How important is it to research a mutual fund's portfolio manager?
- What's the difference between a mutual fund and an ETF?
- Do you have a good risk management plan in place?

7. RISK MANAGEMENT & ASSET PROTECTION

- Have you adequately protected your assets in the event of a catastrophe or death of a spouse?
- Have you considered your insurance needs?
- How important is property and casualty insurance to your insurance portfolio?
- Have you considered disability income insurance?
- What are your health insurance options before and after retirement?
- What do different sections of Medicare cover?
- Have you considered long-term care options?

APPENDIX D:

ASKING DISCOVERY QUESTIONS

- What might long-term care cost?
- Should you purchase life insurance?
- What are the different types of life insurance?
- How can I best select the type and amount of life insurance I need?

8. ESTATE PLANNING

- Have you done an asset inventory of your estate?
- Do you have a plan in the event of incapacity?
- Have you considered how taxes will affect your estate?
- Do you have a will? Have you recently reviewed/updated your it?
- Have you considered the consequences of dying without a will?
- Do you understand the difference between a will and a trust?
- What are the benefits of trusts?
- Are you familiar with the different types of trusts?
- How familiar are you with the probate process?
- What are the advantages/disadvantages of gifting while alive?
- Have you designated a beneficiary for all of your assets?

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

Another good way to stimulate your participants’ curiosity and get them involved is to ask, “Did You Know” questions. Below are some knowledge nuggets that will help kick start your conversations.

Did you know...

1. LIFE PLANNING FOR RETIREMENT

- Men retire at an average age of 64, while for women, the average retirement age is 62.
Source: Center for Retirement Research at Boston College, 2020.
- A full 1/3 of those who retire eventually reverse retirement and return to work on either a full or part-time basis. Source: Federal Reserve Board Study, 2020.
- The national average retirement age is 65 years old. At the state level, it ranges from 62 to 65.
Source: U.S. Census Bureau, 2021.

2. RETIREMENT NEEDS AND EXPENSES

- 1 in 4 of today’s 65-year-olds will live past 90. 1 in 10 will live past 95. Source: APA.org, 2020.
- The rule of thumb is that retirees will need at least 80% of pre-retirement income when they leave their job. Source: AARP, 2021.
- Nearly 50% of retirees retired sooner than they planned. Source: EBRI, 2020.
- In 2021, the average monthly Social Security benefit was only \$1,543, which comes out to \$18,516 per year. Source: Social Security Administration Fact Sheet 2021.
- The average American will spend about \$987,000 from retirement age on.
Source: USA Today, 2020.
- Only 30% of American workers say they are “very” confident about having enough money for a comfortable retirement. Source: EBRI, 2021.
- A nest egg of \$1 million should last the average household 23.46 years. Source: U.S. News, 2020.
- The Federal Government tries to keep inflation rate around 2%. Source: Federalreserve.gov, 2021.
- Three in 4 of both workers and retirees say income stability is more important than preserving principal. Source: EBRI, 2020.

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

3. RETIREMENT ROADBLOCKS AND MISTAKES

- Seven in ten workers are confident that they are doing a good job preparing financially for retirement. Source: EBRI, 2021.
- While most workers are confident they know how much monthly income will be needed, only 44% report having actually thought about this in order to prepare for retirement. Source: EBRI, 2020.
- Nearly a quarter of US adults have no retirement savings or pension. Source: Federal Reserve, 2020.
- Total debt for Americans over age 70 increased 543% from 1999 through 2019 — the largest percentage increase for any age group. Source: CNBC, 2020.
- Around 45% of retirees still have mortgage debt and just 17% of people over 65 own their home outright. Source: Forbes, 2021.

4. RETIREMENT INCOME SOURCES

- There's no age limit for contributing to a Roth IRA (but there is for a traditional IRA). Source: IRS.gov, 2021.
- 25% of Americans don't take advantage of their 401(k) match. Source: Forbes, 2021.
- The 401(k) contribution limit for 2022 is \$20,500. Source: IRS.gov, 2021.
- Retired workers and their dependents account for 75.2% of total benefits paid. Source: SSA.gov, 2021.
- Your Social Security benefit can be taxed – up to 85%. Source: SSA.gov, 2021.
- Claiming Social Security at 62 can result in a permanent benefit reduction of as much as 30%. Source: SSA.gov, 2021.
- 13 states impose taxes on some or all Social Security benefits. Source: AARP, 2021.
- About half of the population aged 65 or older live in households that receive at least 50% of their family income from Social Security benefits and about 25% of aged households rely on Social Security benefits for at least 90% of their family income. Source: SSA.gov, 2020.

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

- Americans 65 and older can take a larger tax deduction. Source: AARP, 2021.
- Only 43% of U.S. workers say they are aware of the Saver's Credit that may help them save for retirement. Source: ASPPA, 2021.
- Social Security is only designed to replace about 40% of your income. Source: SSA.gov, 2021.
- Nearly nine out of ten individuals age 65 and older receive Social Security benefits. Source: SSA.gov, 2021.
- 55% of Social Security beneficiaries are women. Source: SSA.gov, 2020.
- The average Social Security benefit in 2021 is about \$18,516 a year. Source: U.S. News, 2021.
- Social Security is projected to run out of money in 2034. Source: SSA.gov, 2021.
- By 2035, the number of Americans 65 and older will increase from approximately 56 million today to over 78 million. Source: SSA.gov, 2021.
- By 2040, there will be just 2.1 workers contributing to Social Security per beneficiary. Source: SSA.gov, 2021.
- Although once common, defined benefit plans are rare and have been increasingly replaced by defined-contribution plans, such as 401(k)s. Source: BLS.gov, 2021.

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

5. RETIREMENT PLAN DISTRIBUTIONS

- If an eligible rollover distribution is paid directly to the account holder, 20% of it must be withheld for federal taxes. Source: IRS.gov, 2021.
- Annuities typically have higher fees and expenses than IRAs, but don't have annual contribution limits. Source: Investopedia.com, 2021.
- Buying and holding an annuity within an IRA avoids any taxation of the annuity payouts, Source: Investopedia.com, 2021.
- If you are under the age of 59½, a withdrawal from a 401(k) is subject to a 10% early withdrawal penalty. Source: IRS.gov, 2021.
- Early withdrawal from an IRA prior to age 59½ is subject to being included in gross income, plus a 10% additional tax penalty. There are exceptions to the 10% penalty, such as using IRA funds to pay your medical insurance premium after a job loss. Source: IRS.gov, 2021.

6. INVESTMENTS

- Over the past 70 years, the type of investment that has earned the most money, or the highest rate of return, for investors has been stocks. Source: Investopedia, 2021.
- In investing, time is more important than timing.
- Where do the terms “bull market” and “bear market” come from? These names come from the facts that a bear is attacking from the top in a downward motion. And a bull is attacking from below in an upward motion. Source: Investopedia, 2021.
- There are approximately 5,000 U.S. indexes. The three most widely followed indexes in the U.S. are the S&P 500, Dow Jones Industrial Average, and the Nasdaq Composite. Source: Investopedia, 2021.
- The Wilshire 5000 includes all the stock from the U.S. stock market. Source: Investopedia, 2021.

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

7. RISK MANAGEMENT & ASSET PROTECTION

- By 2030, 24 million Americans will need LTC, nearly double the current need. Source: American Action Forum, 2020.
- 7 in 10 seniors reaching 65 years old are now expected to need some type of long-term care (LTC) before the end of their life. Source: Department of Health and Human Services, 2020.
- Most people over 65 eventually will need help with daily living tasks. Men will need assistance for an average of 2.2 years, while women will need it for 3.7 years. Source: U.S. Department of Health and Human Services' Administration on Aging, 2020.
- The average long-term stay is between one and three years. Source: Administration on Aging (AOA), 2020.
- Nearly two out of three current nursing home residents are women. Source: ACLI, 2021.
- Costs for long term care services can range from \$40,000 to \$250,000. Source: American Association for Long-Term Care Insurance, 2020.
- Medicare will pay a maximum of 100 days in a nursing home. However, the average Medicare covered stay is much shorter (22 days). Source: AARP, 2020.
- The average retired couple will pay \$295,000 in medical expenses out-of-pocket (this excludes the cost of long-term care, if it becomes necessary). Source: Society of Actuaries, 2020.
- Americans spend an average of \$10,209 per capita on health care. Source: Health Services Research, 2020.
- The average person with Medicare coverage spent \$5,460 out of their own pocket for health care. Source: Kaiser Family Foundation, 2020.
- With Medicare you pay 100% for non-covered services, including most long-term care. Source: Medicare.gov, 2021.

APPENDIX E: ASKING “DID YOU KNOW” QUESTIONS

- The Medicare Trust Fund (Medicare Part A), which pays hospital expenses, is projected to run out of full funding in 2026. Source: NPR, 2020.
- National average costs for long-term care in the United States is \$8,821 per month for a private room in a nursing home. Source: Genworth, 2020.
- About 52% of all people in the United States are covered by some type of life insurance. Source: LIMRA, 2021.

8. ESTATE PLANNING

- Just 32% of American adults say they have a will or other estate-planning document. Source: AARP, 2020.
- About 4,100 estate tax returns will be filed for people who die in 2020, of which only about 1,900 will be taxable—less than 0.1% of the 2.8 million people expected to die in that year. Source: Tax Policy Center, 2020.
- 92% of people think it is important to talk about end-of-life wishes with their loved ones, but only 32% have done so. Source: AARP, 2020.
- In 2022, you can gift any individual up to \$16,000 for the year. Gifts to your spouse and certain tax-exempt organizations are exempt from gift tax. Source: IRS.gov, 2021.
- A key advantage of an estate plan is its power to minimize the probate process and its expenses, delays, and loss of privacy. Source: Americanbar.org, 2021.
- Charitable giving and business succession can be incorporated into an estate plan. Source: Americanbar.org, 2021
- Some of the most famous and wealthiest people to die without a will include Howard Hughes, Chris Farley, Prince, Martin Luther King, Kurt Cobain, John Denver, and Sonny Bono. Source: Forbes, 2020.