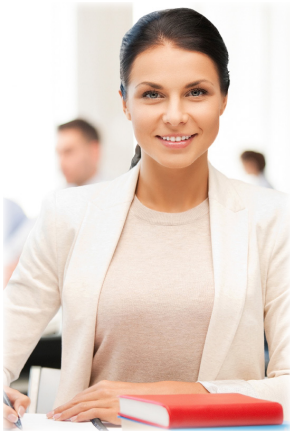# Understanding | *Account Review*

A RETIREMENT PLAN CHECKUP

Winter is a great time of year to review your retirement account. For one thing, it's tax season. So you're already thinking about money. Plus, life is generally less hectic in winter. Before the pace picks up, spend some quality time with your retirement plan.

Check the Big Picture

Grab your latest statement and check your balance. Are you saving enough? You can do a quick check by estimating how much income you think you'll need for a year of retirement. Then, subtract amounts you anticipate receiving from other sources (Social Security, payments from a pension plan, etc.). That will give you a rough estimate of the savings you'll need to cover one year of retirement. To project the total savings you'll need, you'll have to consider the number of years you expect retirement to last, inflation, and other factors.

Consider Your Contributions

If it looks like you should be saving more, increase the amount you're contributing to the plan. If you're age 50 or older and the plan allows, you can make additional "catch-up" contributions. Please see the IRS website for annual limits.

Look at Your Lineup

If there's been a major life change (birth, death, marriage, divorce, etc.) since your last checkup, you may need to change your asset allocation — the percentages of your portfolio that are invested in the different asset types. Your asset allocation should always fit your risk tolerance and investing time frame.

Even if your targeted asset allocation is the same, investment performance can change your portfolio's actual allocation over time. When that happens, you may be exposed to more or less risk than you intended. If the percentages in your account have drifted, it might be time to rebalance.

Consolidate Your Accounts

If you have more than one retirement account — an account from a past employer or one or more individual retirement accounts (IRAs) — think about consolidating. Managing your retirement assets will be simpler if they're all in one account.

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