



Photo of: Currituck Sound, NC



“Plan your next move, because every step contributes towards your goal.”

— Alan Lakein

Into the Unknown

Secret Power to a Successful Retirement

One of the deepest fears as retirees approach the start to their retirement journey is the fear of the unknown. Donald Rumsfeld once stated that “There are known knowns. These are things we know that we know. There are known unknowns. That is to say, there are things that we know we don’t know. But there are also unknown unknowns. These are things we don’t know we don’t know.” Many financial planners say the secret to a successful retirement is to make the unknowns known.

The best way to make the unknowns known is through education, and as the old saying goes “knowledge is power.” Learning what questions to ask is important. UNC retirement plan financial professionals can help as you work to find answers to retirement planning questions like: What will my savings cover in retirement? How much do I need to save for retirement? How much can/should I save each year for my financial future? Can my retirement savings really last? Taking the first step to alleviate fears of the unknown can begin by working with financial advisers to increase your financial planning knowledge as well as creating a workable plan for retirement income.



There will always be known unknowns that are impossible to predict such as when will we die, exact market and savings growth, the need for long term care, etc. but one can still make plans that help prepare for unpredictable unknowns. Financial advisers help identify retirement saving needs based on retirement goals as well as create a possible financial cushion to help with unexpected expenses.

To begin building your successful retirement plan, contact a UNC retirement plan financial professional with [CAPTRUST](#), [FIDELITY](#), and/or [TIAA](#) to help build your retirement planning knowledge, create a personal budget and savings plan that can help provide a cushion for the unknowns, as well as evaluate your investment line-up to ensure you are on track to set out on your retirement journey.

Be Tax-Savvy

Paying attention to tax strategies for your retirement income is important. Making tax-savvy moves now can help with your current income and future financial savings goals. There are a variety of tax deductions and credits available to people who save for retirement.

Several types of accounts are available that can be aligned with specific investing goals. Here are two employee contribution types to consider:

- **Tax-deferred:** Traditional pre-tax 403b, 457b, and 401k plans, allow you to realize immediate tax deductions up to the full amount of your contribution, but future withdrawals from the account will be taxed at your ordinary-income rate.
- **Tax-exempt:** Roth 403b, Roth 457b, and Roth 401k plans, don't deliver a tax benefit when you contribute to them. Instead, they provide future tax benefits; withdrawals at retirement are not subject to taxes.

Both types of retirement accounts minimize the amount of lifetime tax expenses someone will incur, which provides incentives to start saving for retirement at an early age. Each person's personal situation is different, and a tax strategy needs to be customized for you. Talk with a tax or financial advisor to learn more and put together a personalized plan that will work best for you.

Fidelity ([schedule-a-meeting](#) or 800-343-0860) and TIAA (www.tiaa.org/unc or 855-400-4294)



Annual Retirement Contribution Limits

The tax law places limits on the dollar amount of contributions to retirement plans and IRAs and the amount of benefits under a pension plan. IRC Section 415 requires the limits to be adjusted annually for cost-of-living increases.

The limit on contributions by employees who participate in 401(k), 403(b), and most 457 plans increased in 2022 to \$20,500.

The catch-up contribution limit for employees age 50 and over who participate in these plans remains unchanged at \$6,500.

To enroll or increase your UNC Supplemental Retirement Plan(s) contributions simply complete and provide one of the following forms to your University Benefits Administrator:

- [UNC 403 \(b\) Salary Reduction Agreement](#)
- [UNC 457 \(b\) Salary Deferral Agreement](#)



University of North Carolina System Retirement Plans:
Plan Investment Review | Performance Summary
(for the period ending 09.30.2021)

Give Your Retirement Plan a Raise

As we move into the new year many will be welcomed with a long awaited Legislative Increase provided by the approved State Budget. While you may have already made plans for your new increase, it is also a key time to consider giving your retirement plan a raise by increasing your future financial savings today.

Fidelity shares that increasing savings by just 1% now could mean a lot in retirement. While 1% is a small amount it can prove to make a big difference in your account balance after 20 or 30 years when you retire since you're giving your money the opportunity to grow

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"The secret of getting ahead is getting started."

– Mark Twain

Take the first step in the right direction by contacting a UNC Retirement vendor (FIDELITY or TIAA) or CAPTRUST for one-on-one counseling sessions or use their Individual Advisory Service line to get started on a clear plan to achieve your financial goals toward retirement security.

MAKE A RESERVATION WITH A FINANCIAL COUNSELOR TO DISCUSS YOUR FINANCIAL GOALS AND FUTURE RETIREMENT PLANS

Vendor	Line	Reservation Tool	Individual Advisory Service
CAPTRUST	800-967-9948	<u>www.captrustadvice.com/unc</u>	<u>www.captrustadvice.com</u>
FIDELITY	877-862-4032	<u>www.fidelity.com/reserve</u>	800-642-7131
TIAA	800-732-8353	<u>www.tiaa.org/schedulenow</u>	866-842-3519
PRUDENTIAL	919-602-8226	<u>Christy.kelly@prudential.com</u>	866-627-5267



INVESTOR CORNER

CAPTRUST

Prioritizing Retirement Savings

Saving for retirement? Rather than take a scattershot approach, save methodically, using a road map known as the retirement savings waterfall, or the retirement savings hierarchy. It can show you which steps to take, the order in which to take them, and how you may benefit. CAPTRUST shares the following steps to:

1. **Start saving through your available retirement savings plan**
2. **Roth or not**
3. **Back to work**
4. **Personal Savings and IRA options**

Keep in mind that everyone's situation is unique. While very few people ever regret saving too much for retirement, it is always a good idea to talk to a financial advisor about a personalized strategy to ensure your savings can achieve your goals.

Check out the full article from [CAPTRUST](#) to learn more about how to prioritize your retirement savings to reach the financial needs to fit your retirement dreams.

TIAA

What if you could improve your entire financial well-being?

As we start a new year many begin to think of their 2022 New Year's Resolutions. As you contemplate these new actions and tasks, please consider your financial well-being.

The UNC System and TIAA would like to encourage all employees to take advantage of the free opportunity to meet with a [TIAA Financial Consultant](#). TIAA can help you understand your choices, review your personal financial situation, and assist you with any questions you may have about retirement savings options.

Get help for your own personalized plan:

- Understand your plan and investment options
- Am I saving enough?
- Check your account and see if your investment strategy aligns with your goals
- Help set financial goals and look at projected income in retirement

Other valuable TIAA tools and resources can be found by visiting [TIAA.org/unc](https://www.tiaa.org/unc).

FIDELITY

6 Goals for A New Year

Setting goals and planning to reach them can be critical to improving your financial picture. The good news is that you may be able to stack the deck in your favor with some psychological know-how. Fidelity shares six key steps to help support your financial goals for this new year.

1. Pre-Commit: Make your goal very specific
2. Earmark money for specific purposes and give yourself a physical reminder of your goal.
3. Schedule time for finances
4. Know your money personality
5. Know your money preferences and learn to work around them
6. Put saving and investing on autopilot

Building great habits doesn't happen overnight but a little planning can set you up for success in the new year.

[Click here](#) to read the full article. Find other Fidelity tools and resources by visiting UNC System [Fidelity Investments](#) website.

Engagement Corner

Various retirement readiness resources and tools will be provided each month to help you learn more about how to live a financially well life, save more toward a comfortable retirement future, and gain additional knowledge on many other key retirement topics (Social Security, Medicare, etc.). We encourage you to take advantage of all available resources.

Register for live webinars and webcasts online at:

FIDELITY: fidelity.com/webcasts

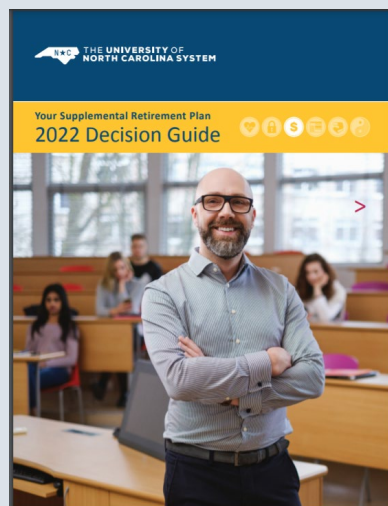
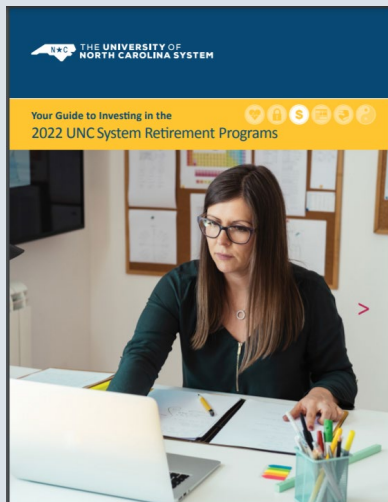
OR

TIAA: www.tiaa.org/webinars

	Webinars and Webcasts
TIAA	Help boost your financial know-how with TIAA's live webinars. There is something for everyone including TIAA participants and guests with a variety of finance topics — Impact of Taxes Now and Later (02/15), Income Diversification (03/31), and more.
FIDELITY	Fidelity will be hosting live web workshops during the third quarter to help participants with preparing for future financial needs. Fidelity will cover financial topics that touch on financial topics like - Create a Budget, Ditch Your Debt, and Start Building for the Future (01/27), Five Money Must (02/24), and Retirement Income Planning for Her (03/24).

Resources Center

Below are just two of many great resources available to assist with educating, preparing, and getting you started down the path to future financial wellness.



Frequently Asked Questions

Q: Can I contribute more than 6% to my mandatory retirement plan (TSERS or ORP)?

A: Employer and employee contribution percentages in the mandatory retirement plans (TSERS and ORP) are established by the General Assembly and are made on a pre-tax basis and cannot be increased.

However, employees can save additional money for retirement by contributing additional funds in supplemental retirement plans like the UNC System 403(b) plan and the UNC System 457(b) plan.

Disclaimer

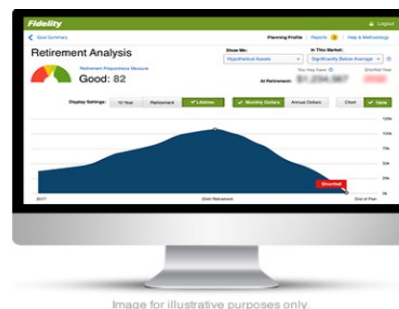
The information in this newsletter is general in nature and may be subject to change. Neither the University of North Carolina (UNC), Prudential Retirement, TIAA, Fidelity Investments, nor any of their agents, can give legal or tax advice. Applicable laws and regulations are complex and subject to change. For legal and tax advice concerning your situation, you should consult your attorney or tax adviser.

For more information about any of the authorized supplemental retirement, carriers or their products, including investment options or charges and expenses, please contact a company representative for a prospectus. Please read the prospectus carefully before selecting a carrier or investment option. In the event of a conflict between this guide and the Plan documents, the Plan documents will take precedent. UNC System reserves the right to amend the Plan documents.



ARE YOU ON TRACK?

TIAA and Fidelity have great tools available to provide you with a clear picture of your current retirement savings. Take action to see if you are adequately preparing for your long-term goals.

A screenshot of the "ARE YOU ON TRACK?" tool. It features a blue header with the title and a sub-header: "Are your long-term savings and retirement plans on track, or could they use some course corrections? Use this tracker to see if your retirement savings are on course." Below the header are several input fields: "Current Age" (31), "Desired Retirement Age" (65), "Current Salary" (\$60,000), "Savings So Far" (\$15,000), and "Current Contributions" (3%). At the bottom, there are three icons representing different lifestyles: "The Simple Life (60% of salary)", "Stay the Course (70% of salary)", and "Dreaming Big (80% of salary)".

Need a Retirement Blueprint?

CAPTRUST has many great financial calculators to help you see where you stand with your future financial goals. Visit www.captrustadvice.com or call 800-967-9948 to talk with a certified Financial Counselor to create your future financial "Blueprint".



Start Saving For Your Future Today!