



THE PIER

Photo of Wrightsville Beach, NC

Planning | Investment | Engagement | Retirement

How Does Social Security Work and Will It Last?

Social Security is a fairly simple idea and CAPTRUST at Work has useful resources to help break it down. During your career you and your employer pay a portion of your income into the Social Security trust fund. In return, you will receive a benefit when you need it the most, at retirement or if you become disabled. Your family members may receive benefits based on your earnings record as well, depending on various factors.

Social Security Eligibility

When you work, you pay Social Security taxes that earn credits which will allow you to qualify for Social Security benefits. Individuals can earn up to 4 credits per year, this can vary based on your income. Most people build up 40 credits to be eligible for Social Security retirement benefits but fewer are usually needed for disability benefits.

Your Retirement Benefits

Social Security is based on your average earnings over your career. Your age at the time you start receiving Social Security will also affect your benefit amount. Those born between 1943 and 1954 will be considered full retirement age at 66. Full retirement age increases in two-month increments after this point until it reaches age 67 for anyone born in 1960 or later. You don't have to wait for full retirement age to begin receiving benefits, you can begin as early as 62. You can also delay receiving benefits past full retirement age which will increase your benefit by 8% for every year you wait.

A Piece of the Puzzle

While Social Security is almost never enough for retirement, it's an important piece of the puzzle. As TIAA discusses in their *How to Plan for Retirement Income* article, it's important to diversify your portfolio to offer multiple income sources to ensure that you have enough income to maintain your desired lifestyle and feel secure. These sources can include Social Security, lifetime income from pensions or annuities and portfolio withdrawals from your retirement and investment portfolios.

Will Social Security Last

In CAPTRUST's, *Will Social Security Run Out of Money?*, they explore the viability of Social Security. Many worry that Social Security may be eliminated before they are able to receive their benefits. CAPTRUST states that it's unlikely that Congress will not make adjustments before it's depleted but even if that were the case, benefits wouldn't vanish overnight and benefits would be reduced but not eliminated entirely.

According to a recent study by the Social Security Trustees, by 2035, even if the fund were depleted, Social Security would still be able to pay 83 percent of scheduled benefits from the incoming payroll tax portion of the fund. In 2098, it would still be able to cover 73 percent of scheduled benefits. So even if Congress chose not to act, Social Security would still be able to pay a sizable portion of benefits for multiple generations to come.

For guidance on your retirement plans, CAPTRUST at Work and TIAA offer complimentary consultations to UNC retirement eligible employees. To schedule a meeting with a Financial Consultant with CAPTRUST at Work, [click here](#) or with to schedule with TIAA, [click here](#).

For the full articles on Social Security and Retirement Income from CAPTRUST at Work and TIAA, please click the following links.

For CAPTRUST's *Understanding Social Security*, [click here](#).

For TIAA's *How to Plan for Retirement Income*, [click here](#).

For CAPTRUST's *Will Social Security Run Out of Money*, [click here](#).



The Importance of Beneficiary Designations

One of the most important financial moves you can make

One of the most important financial moves you can make is to take the time to name your beneficiaries for your UNC Optional Retirement Plan and/or Supplemental retirement accounts. If no beneficiary is named for each of your accounts, the money will typically go through probate court before it's distributed to your heirs according to your will (or according to state law if you have no will). The fastest, most efficient way that will cause the least amount of frustration and to ensure the people and organizations you love have access to your retirement funds, is to name them as your beneficiaries.

Primary and Contingent Beneficiaries

Your primary beneficiary is the person or entity that first receives the proceeds of your account upon your death. As the owner of the account, you have the authority to select a single or multiple beneficiaries and designate their specific shares of the proceeds. Beneficiaries can include individuals such as family members or friends, charitable organizations, trust you have established for your estate-planning, or your estate.

Contingent beneficiaries are the named beneficiaries that will receive your account proceeds in the event that your primary beneficiary predeceases the account holder.

Why does naming a beneficiary matter?

- It gives you another way to control your estate by letting you choose the amount you assign to each beneficiary
- It can help you leave a legacy and pass wealth on to the future generations when you name grandchildren to be contingent beneficiaries and help cover important expenses like college education costs, the down payment on a house and more.
- It ensures the money in your account won't end up as part of your estate and have to go through probate court if something happens to your primary beneficiary before the account is dispersed

Have a Conversation with your Beneficiaries

Conversations with your loved ones about death and loss are never easy but talking to your primary and contingent beneficiaries now can help reduce hours of frustration in the future when they are trying to track down account details and paperwork after you are gone.

- **Frame it as part of a larger story.** When it comes to your estate, it's important to talk about each asset as part of your total estate gameplan. Create an overview file that includes all of your account details to help facilitate this conversation and making it easier on everyone
- **Don't sweat the small stuff.** You don't need to talk about account values or others named as beneficiaries if you think it could potentially cause friction
- **Know your audience.** Talk through difficult topics in a way that feels right for you and your beneficiaries when you have these conversations with a spouse, child, or grandchild

Information You Need to Update Your Beneficiaries

You will need some basic information to add or update your beneficiaries to your TIAA account.

- Your TIAA account log-in and password
- Beneficiary name and relationship
- Beneficiary Date of Birth and Email
- Beneficiary SSN (optional)

To update your beneficiary with TIAA, [click here](#). You can find more details in TIAA's *The Importance of Beneficiary Designations* by [clicking here](#).



What is CAPTRUST at Work?

As part of your benefits package as a UNC System employee, CAPTRUST at Work provides you with a comprehensive suite of products and services, including some that are focused on improving your financial wellness.

CAPTRUST at Work provides comprehensive and tailored financial guidance to help you meet your unique needs and personal goals. Their library of content covers a wide range of topics, from budgeting and managing student loans to understanding and optimizing employee benefits and making smart investments. Their content meets you where you are by catering to people in different stages in their career from early, middle or late.

These financial, tools in addition to one-on-one guidance, can help you meet your short and long-term goals.

What Your UNC System Colleagues Are Saying About Their Experience With CAPTRUST at Work

- “The Financial Consultant I spoke with was so helpful and knowledgeable. She asked good questions to understand my goals and circumstances without making assumptions. She made me comfortable asking questions. Great experience, thanks!”
- “This is a wonderful service! I recommend all persons approaching retirement to utilize it.”
- “My rep was very helpful and kind. I wish I would have used this service earlier.”
- “My financial consultant was super helpful and patient with adjusting what assets I have and doing two projections versus one. This helps in my short-term planning for retirement. I am grateful to have this service. Thank you!”
- “Excellent first contact and plenty of ideas to mature in my mind before making another appointment to go on to the next step to prepare in the best possible way”

To take advantage of this valuable benefit, set up your one-on one with CAPTRUST at Work by [clicking here](#). To watch a short video from CAPTRUST at Work with more details about the services they offers, [click here](#).

MAKE AN APPOINTMENT WITH A FINANCIAL CONSULTANT TO DISCUSS YOUR FINANCIAL GOALS AND FUTURE RETIREMENT PLANS

Vendor	Plan Options	Reservation Tool	Individual Advisory Service
CAPTRUST at Work	Investment advice for all plans	www.captrustadvice.com	www.captrustadvice.com/
TIAA	UNC ORP 401(a) UNC 403(b) and 457(b)	www.tiaa.org/schedulenow	1-866-842-3519
EMPOWER <small>Previously Prudential</small>	State's 401(k) State's 457(b)	1-866-627-5267	1-866-627-5267



INVESTOR CORNER

CAPTRUST at Work

Making the Most Out of Your Tax Refund

For most people, a tax refund feels like free money. An unexpected bonus that's all too easy to spend. But from a long-term perspective, this money can be an opportunity to improve your overall financial wellness. Here are some forward thinking ways to use your refund:

- Start an emergency fund
- Consider paying down high interest debt- like credit cards, student loans and personal loans
- Boost your retirement savings
- If you have children, you may invest in a 529 colleges savings plan
- Save it for a specific goal- like buying a house or taking a vacation
- Buy something fun! Just be careful not to overspend

For more details, view the short CAPTRUST video by [clicking here](#).

To schedule your one-on-one appointment with CAPTRUST , [click here](#).

TIAA

Five Quick Tips to Clean Up Your Financial Life

- It's spring cleaning season! Take this opportunity to clean up and simplify your life. These five quick tips can help.
- See how your longevity will impact what you need to save- April is Financial Awareness month. Take some time to learn more about your personal finances and retirement planning
- Check in on your old accounts- 20% of Americans have inactive retirement accounts. Is it time to roll it over into your workplace retirement plan?
- Focus on Debt Reduction- too much high interest debt can eat away at your monthly income and long-term financial goals
- Create (or refine) your budget- set a budget and stick to it
- Get help when you need it- whether in-person or over the phone, TIAA is here to help.
- For TIAA's full article, [click here](#).

To schedule a one-on-one appointment with a TIAA Financial Consultant, [click here](#).

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.

Upcoming Webcasts & Webinars

TIAA: www.tiaa.org/webinars2025

May 7 @ 12pm ET: How Can I Afford College for my Kids and Grandkids?

May 15th @ 3pm ET: Financial Wellness & Mental Health

June 11th @ 12pm ET: Set Your Retirement Date: Understand Factors to Get You to Your Goal

June 26th @ 3pm ET: How Longevity Affects Financial Planning and Family Caregiving

Resource Center

Below are two of the many great resources available to assist with preparing and educating you on your path to financial wellness.



Your Mandatory Retirement Plan 2025 Decision Guide



Your Supplemental Retirement Plan 2025 Decision Guide

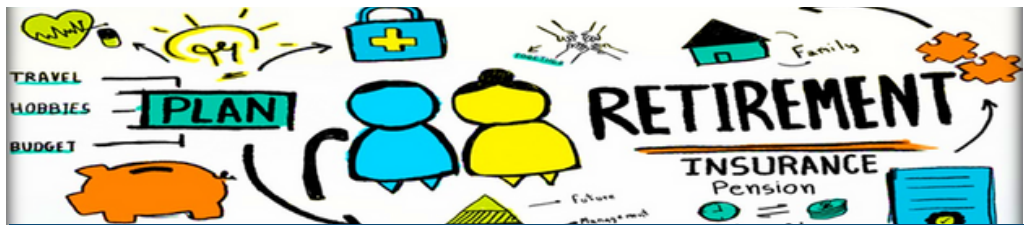


More resources available at:

<https://myapps.northcarolina.edu/hr/benefits-leave/retirement/>

or contact the approved carriers directly.

Start Saving for your Future Today!



ARE YOU ON TRACK?

Am I on track?

Let's start with you

This can help you estimate how much you might need in retirement.

Current age Your salary What if I'm hourly?

\$

Would you like to include Social Security?

TIAA offers various tools to provide you with a clear picture of your current retirement savings. Take action to see if you are adequately prepared to meet your long-term goals.

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"

Disclaimer

The information in this newsletter is general in nature and may be subject to change. Neither The University of North Carolina (UNC), Empower Retirement, TIAA, 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. The UNC System reserves the right to amend the Plan documents.