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**Retirement Savings Goals vs. Reality in 2025**

Recent research highlights a significant disconnect between Americans' retirement aspirations and their actual savings. According to Northwestern Mutual's 2025 Planning & Progress Study, the average American believes they need \$1.26 million to retire comfortably.



While this figure is down from \$1.46 million in 2024, potentially reflecting easing inflation, the study reveals a concerning gap between this target and actual savings levels. A quarter of Americans with retirement savings report having only one year or less of their current income saved. This shortfall is particularly acute for Gen X, many nearing retirement, with 52% holding savings equivalent to three times their annual income or less.

Compounding this, 54% of Gen Xers doubt they will be financially prepared for retirement. Furthermore, the fear of outliving savings looms large, with 51% of all Americans believing this is a likely scenario. Interestingly, younger generations express concern about their financial strategy, with 60% of Gen Z

and Millennials feeling they overemphasize investing at the expense of insurance protections. This data underscores the urgent need for improved savings habits and comprehensive financial planning across all age groups.

<https://news.northwesternmutual.com/2025-04-14-Americans-Believe-They-Will-Need-1-26-Million-to-Retire-Comfortably-According-to-Northwestern-Mutual-2025-Planning-Progress-Study>

## Social Security Enhances Telephone Claim Security



The Social Security Administration (SSA) implemented enhanced anti-fraud measures for phone claims effective April 14, 2025. This allows all types of benefit claims to be made over the phone, a big step in modernizing services for those unable to file online or visit an office.

This enhancement lies in new technology to analyze patterns and anomalies within a claimant's account information during the telephone process. If potential fraud indicators are flagged, the claimant must complete an in-person identity verification step before the claim processing continues. This balances the convenience of telephone filing with robust security protocols.

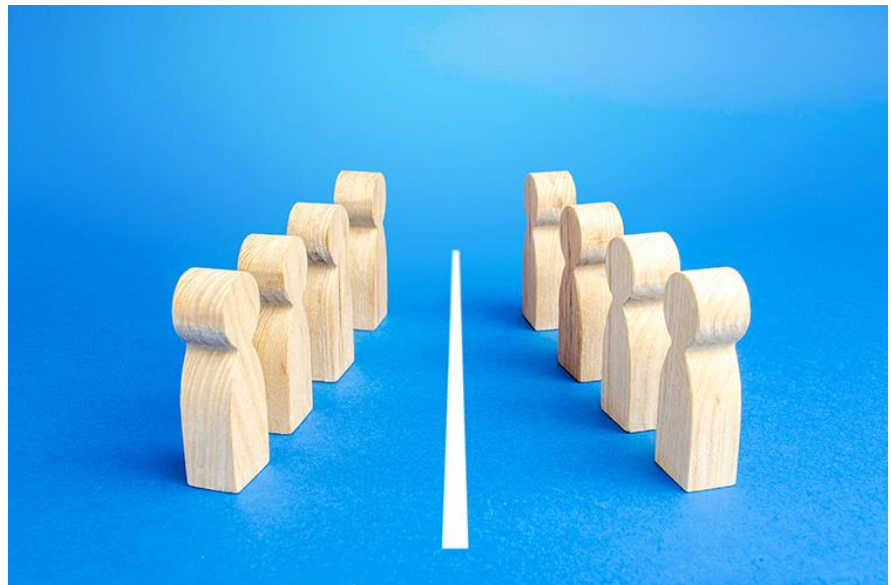
These changes represent a key development in how the agency interacts with the public in the digital age.

<https://blog.ssa.gov/social-security-administration-implements-new-anti-fraud-measures-to-enhance-telephone-claim-processing/>

## The Persistent Gap in Retirement Plan Access

**A significant portion of the American workforce still lacks access to crucial retirement savings vehicles, according to recent research from Georgetown University's Center for Retirement Initiatives (CRI).**

While these figures are concerning, the research highlights the positive impact of state-facilitated retirement savings programs, now adopted in 20 states. These programs, such as CalSavers and OregonSaves, are beginning to bridge the gap, nearing \$2 billion in assets



As of March 2025, nearly half (47%) of U.S. private sector workers, equating to 59 million individuals, do not have access to employer-sponsored retirement plans. This access gap extends to an additional 23.4 million gig economy workers. The challenge is particularly pronounced in small businesses with fewer than 50 employees, where 63% of workers lack access.

and covering potentially 20.6 million workers who previously lacked options. They expand coverage directly through enrollment and indirectly by encouraging more private employers to offer plans. Addressing this access gap is vital, especially with an aging population increasingly reliant on sources beyond Social Security.

<https://cri.georgetown.edu/press-releases/critical-gaps-research/>



Dollar bills used to be larger. They were first printed in their current size in 1929. Today a dollar bill is 2.625 inches from top to bottom. It measures 6.125 inches from left to right.

The “FW” on the dollar bill means the bill was printed in Fort Worth, TX. If there is not an “FW,” the bill was printed in Washington, D.C. The only number on a coin is the year it was minted. All other numbers are spelled out. However, the \$1 bill contains the number 1 eight times. Each bill also contains an individual serial number.

The letter inside the seal on a bill shows which of the 12 Federal Reserve banks issued the bill (A: Boston, B: New York, C: Philadelphia, D: Cleveland, E: Richmond, F: Atlanta, G: Chicago, H: St. Louis, I: Minneapolis, J: Kansas City, K: Dallas, L: San Francisco).

<https://www.factretriever.com/money-facts>

## Annuities Gain Traction in Employer Retirement Plans

**Driven by concerns about retirement income security and facilitated by legislation like the SECURE 2.0 Act, annuities are increasingly finding their way into American workplace retirement plans such as 401(k)s.**

Challenges persist, notably a lack of understanding or "annuity fluency" among plan decision-makers. Despite this, in-plan annuities offer distinct advantages, often being institutionally priced, making them more cost-efficient and accessible than individual annuities, particularly for



A March 2025 report highlighted by Annuity.org indicates a significant trend, with 76% of plan sponsors anticipating growing demand for these lifetime income solutions by 2030, according to a TIAA study. **Many sponsors not currently offering annuities plan to add them soon.** This shift addresses widespread worker anxiety, as 86% worry about having enough income and 80% fear outliving their savings.

employees without personal financial advisors.

While annuities provide valuable income stability, experts **advise balancing them with growth-oriented investments within a retirement portfolio.**

<https://www.annuity.org/2025/03/11/new-report-suggests-annuities-are-rising-in-retirement-plans/>



## It Happened In ...



**May 1<sup>st</sup> 1707** – Great Britain was formed from a union between England, Scotland, and Wales which had already been part of England since the 1500's.

**May 4<sup>th</sup> 1494** – On his 2<sup>nd</sup> journey to the New World, Christopher Columbus discovered Jamaica.

**May 7<sup>th</sup> 1992** – The 27th Amendment to the U.S. Constitution was ratified, prohibiting Congress from giving itself pay raises.

**May 14<sup>th</sup> 1607** – The first permanent English settlement in America was established at Jamestown, Virginia, by a group of royally chartered Virginia Company settlers from Plymouth, England.

**May 20<sup>th</sup> 1862** – President Abraham Lincoln signed the Homestead Act opening millions of acres of Federal Western land to citizens who could acquire up to 160 acres by homesteading it for five years, paying just \$1.25 per acre.

<http://www.historyplace.com/specials/calendar/May.htm>

## Reassessing Life Insurance Needs in Retirement

Retirement marks a significant life transition, making it crucial to re-evaluate your life insurance needs.

Retirement is often accompanied by a fixed income — very likely this is significantly less than your regular earnings. While overall expenses may decrease, it's important to re-evaluate budgets to ensure affordability of housing and other living expenses, even life insurance and long term care premiums.

As income streams shift and financial responsibilities like mortgages or education costs potentially decrease, **your required coverage level might change.** Reviewing your policy ensures it aligns with your current situation, potentially allowing for reduced premiums if less coverage is needed, or highlighting the need for more if legacy goals or spousal support remain priorities.

**Equally important is updating beneficiaries** to reflect any changes in relationships or charitable interests. Life insurance plays a key role in estate planning, providing liquidity for taxes and debts. However, managing premiums



on a fixed retirement income requires careful budgeting.

**Health changes can also impact eligibility and costs.** Consider potential long-term care needs, which often increase with age. Some permanent life insurance policies offer living benefits through cash value accumulation, providing a potential supplemental income source or funds for unexpected needs during retirement, adding another layer to consider in your financial plan.