

Retirement Information Session

March 2025



Presenters



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Objectives

- Define Retirement & Discuss the Importance of Retirement Planning
- Official Furman Retirement Eligibility & Benefits
- Financial Retirement Benefits
- Social Security & Medicare Benefits
- Q & A



Retirement Defined

What is Retirement?

- Act or fashion of leaving one's job and/or ceasing to work.

What age should one Retire?

- No mandatory retirement age in the US.
- Standard Retirement Age is considered to be 65.
- Social Security Administration (SSA) defines age based on date of birth.



Negative & Positive Connotations of Retirement

- Sadness, grief, loneliness, depression
- Freedom, leisure, recall accomplishments
- Use skills, volunteer, give back

Why Retirement Planning is Important?

- Helps to minimize worry and stress
- Identify information, resources and access points
- Identify sources of Income and Expenses
- Uncertainty of Social Security Benefits
- Unforeseen Medical Expenses
- Estate Planning
- Determine Needs vs. Wants



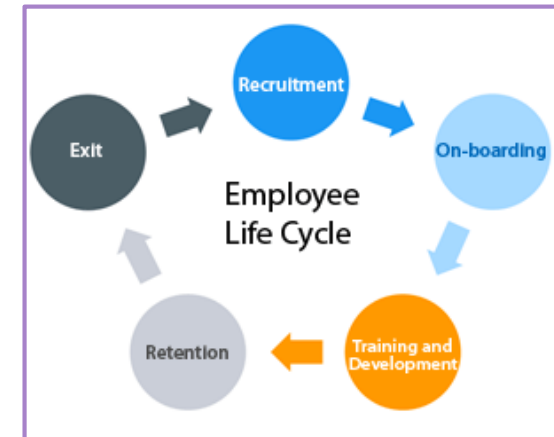
Retirement: Lifecycle of Change



Seasons



HS/College Students



Employees

Official Furman Retirement

Eligibility:



of Years at Furman



Age

- ✓ Faculty/Staff must have worked for Furman University for at least 10 continuous years
- ✓ Faculty/Staff must be at least 55 years of age
- ✓ Faculty/Staff sum of age and years of service must be equal to or greater than 75

Official Furman Retirement Benefits

- BCBS Medical Plan Coverage (Pre-65: retirees and/or spouses younger than 65)
- Physical Activities Center (PAC)
- Golf Discounts
- Athletic Tickets(2)
- Education Benefits
- Library Membership
- Email Access
- Various Retiree luncheons and other retiree events
- Retiree Identification Card and Parking Permit

(See Furman Policy 157.91 for additional information)



Retirement in General

- Healthcare Coverage
 - ❖ COBRA (Continuation of Medical, Dental and Vision Benefits)
 - ❖ Healthcare.gov
 - ❖ Spouse/Domestic Partner Benefits
 - ❖ Medicare
 - ❖ Health Savings Account (H.S.A)
- Life Insurance Portability
- Portability of Voluntary Products (Critical Illness, Accident, Hospital Indemnity)
- Retirement Savings Options
- Social Security



Sample Retirement Planning Document

Jane Doe

-Hired: 01/01/2000

-Age: 57

* The sum of age and years of service (at least 10) must equal 75 and you must be at least 55 years of age in order to qualify for Furman retirement. – See Policy 157.91.

Benefits

- **Medical** – Employee only - Coverage will end on the last day of the month in which you retire. If you are pre-65, you will be able to remain on the University medical plan up to age 65. You will pay discounted premiums for the initial 24 months or until you reach age 65, whichever comes first. Once you surpass the 24 months and you are still not 65, then you pay the entire monthly premium.
- **Dental & Vision** – Employee Only - Coverage will end on the last day of the month in which you retire. You can remain on dental and/or vision via COBRA for up to 18 months. You will receive information from Flores regarding your ability to keep COBRA.
- **Short & Long-Term Disability** – Coverage will end on last day worked.
- **Life Insurance** – Coverage will end on the last day worked. Can port coverage over to individual policy with Unum. Call 800-421-0344 for guidance/questions. See Kristin Austin for forms.
 - **Basic Employee Volume:** \$100,000
 - **Supplemental Employee Volume:** \$250,000
- **Other Benefits:** PAC Membership (Retiree + Spouse), Golf Course Discount(Retiree Only), Athletic Tickets(2), Flu Shots(Retiree Only), Email, Library Access
- **Meet with TIAA Cref** – Contact them personally, 1-800-842-2252.
- **Retiree Identification Card** – Go to website idcard.Furman.edu and register to get a retiree identification Card.
- **Parking Permit** – Visit Furman.edu/parking for a retiree parking permit.
- **Furman Email:** [You can request](#) to have future emails after retirement forwarded to a personal email.
- **Vacation Payout:** Will be paid out up to 1-year accrual for vacation (200 hours). The vacation policy does not allow employees to take all of their vacation to extend employment or to take it at the end of employment. Current Vacation Balance: 400 (as of 3/8/2024)

TIAA Retirement Plan at Furman

Employer Contributions

- 6% or 11%

Employee Contributions

- Pre-Tax and Post-Tax opportunities

What happens to the money?

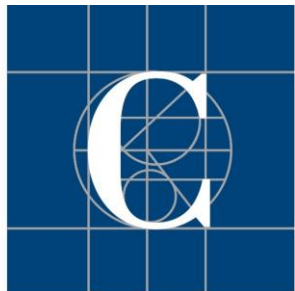


TIAA Retirement Plan at Furman: Contacts

Retirement Plan Vendor

TIAA – 800-842-2252

- Comes to campus one day/month
- Virtual Meeting Opportunities



CAPTRUST

**Independent Advisor to Furman
Retirement Plan Committee**

CAPTRUST Greenville – 864-467-2032

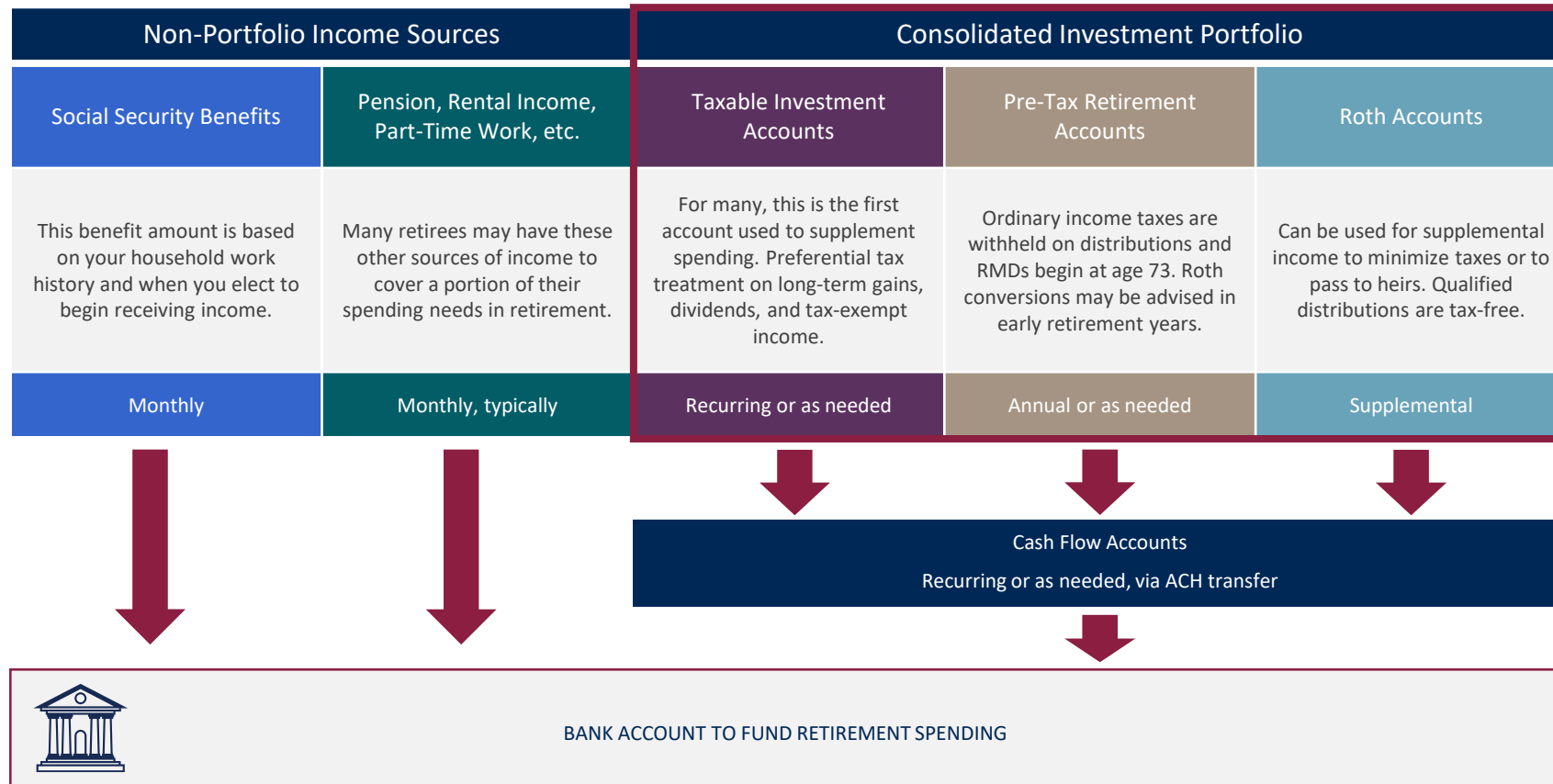
- Carter Hall comes to campus six times/year
- Virtual Meetings at www.captrustadvice.com

Questions



Creating a Paycheck in Retirement

Sounds simple enough, right? But, for many, creating a paycheck in retirement is a source of anxiety. How do I turn my savings, Social Security benefit, and other income sources into reliable income to fund my spending in retirement? This summary is a good place to start, and by consulting with your advisor, you can determine the most efficient strategy that works for you based on your goals and objectives.

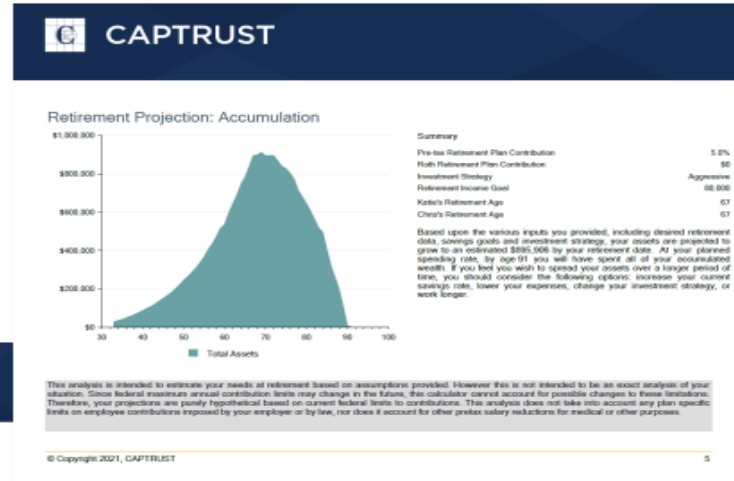
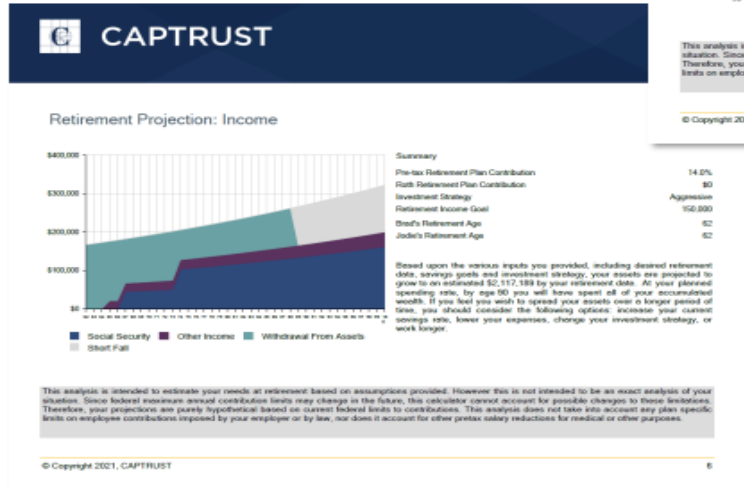


Source: CAPTRUST Research.

Retirement Blueprint

Planning and Investing

Calculating What You May Need



SCHEDULING A RETIREMENT
READINESS CHECK-IN AT
WWW.CAPTRUSTADVICE.COM

OR:



2025 Tax Facts

Federal Tax Brackets — Married Filing Jointly

Taxable Income	Tax Rate	Effective Tax Rate at Bracket Max
\$0 – \$23,850	10%	10.0%
\$23,851 – \$96,950	12%	11.1%
\$96,951 – \$206,700	22%	17.1%
\$206,701 – \$394,600	24%	20.4%
\$394,601 – \$501,050	32%	22.8%
\$501,051 – \$751,600	35%	26.9%
\$751,601 and Over	37%	27.2% (at \$750,000)

Federal Tax Brackets — Single Filer

Taxable Income	Tax Rate	Effective Tax Rate at Bracket Max
\$0 – \$11,925	10%	10.0%
\$11,926 – \$48,475	12%	11.5%
\$48,476 – \$103,350	22%	17.1%
\$103,351 – \$197,300	24%	20.4%
\$197,301 – \$250,525	32%	22.8%
\$250,526 – \$626,350	35%	30.1%
\$626,351 and Over	37%	31.4% (at \$750,000)

Standard Deduction Amounts

Single	\$15,000
Single (age 65+) add.	\$2,000
Married	\$30,000
Married (age 65+) add.	\$3,200

Estate and Gift Tax

Lifetime Exemption	\$13,990,000
Gift Tax Annual Exclusion	\$19,000

Estate and Trust Tax Brackets

Taxable Income	Tax Rate
\$0 – \$3,150	10%
\$3,151 – \$11,450	24%
\$11,451 – \$15,650	35%
\$15,651 and Over	37%

Net Investment Income Tax (NIIT) and Additional Medicare Tax

3.8% NIIT applies to the lesser of a filer's net investment income or the excess of modified adjusted gross income (MAGI) over the thresholds listed below. Filers may also pay an additional 0.9% Medicare tax on earned income that exceed these limits.

MAGI Threshold — Single	\$200,000
MAGI Threshold — Married	\$250,000

Long-Term Capital Gains and Qualified Dividend Tax Rates

Tax Rate	Single	Married Filing Jointly
0%	Up to \$48,350	Up to \$96,700
15%	\$48,350 – \$533,400	\$96,701 – 600,050
20%	\$533,401 and Over	\$600,051 and Over

Required Minimum Distributions - Uniform Life (Percent of Year-End Account Balance & Divisor)

Age	%	/	Age	%	/	Age	%	/
73	3.8%	26.5	83	5.6%	17.7	93	9.9%	10.1
74	3.9%	25.5	84	6.0%	16.8	94	10.5%	9.5
75	4.1%	24.6	85	6.3%	16.0	95	11.2%	8.9
76	4.2%	23.7	86	6.6%	15.2	96	11.9%	8.4
77	4.4%	22.9	87	6.9%	14.4	97	12.8%	7.8
78	4.6%	22.0	88	7.3%	13.7	98	13.7%	7.3
79	4.7%	21.1	89	7.8%	12.9	99	14.7%	6.8
80	5.0%	20.2	90	8.2%	12.2			
81	5.2%	19.4	91	8.7%	11.5			
82	5.4%	18.5	92	9.3%	10.8			

Sources: Internal Revenue Service; Social Security Administration

This document is intended to be informational only and does not constitute legal, accounting, or tax advice. Please consult the appropriate legal, accounting, or tax advisor if you require such advice. The information and statistics in this report were obtained from sources believed to be reliable but are not warranted by CAPTRUST to be accurate or complete.



2025 Tax Facts

Account Contribution Limits

401(k), 403(b), and 457 Plan Employee Deferral (Pre-Tax & Roth)	\$23,500
Catch-Up — Age 50-59 or 64 or Older	\$7,500
Super Catch-Up— Age 60-63	\$11,250
Defined Contribution Max (excluding catchup)	\$70,000
Traditional or Roth IRA	\$7,000
Catch-Up — Age 50 or Older	\$1,000
SEP IRA (25% Limit on Compensation)	\$70,000
SIMPLE IRA	\$16,500
Catch-Up — Age 50-59 or 64 or Older	\$3,500
Super Catch-Up— Age 60-63	\$5,250
Covered Compensation Limit 401(a)	\$350,000
Flex Spending Account (FSA)	\$3,300
Health Saving Account (HSA) - Single	\$4,300
HSA — Family	\$8,550
HSA — Catch-Up (55+)	\$1,000

Phaseouts for IRA Deductibility and Roth Eligibility

IRA — Single	\$79,000 – \$89,000
IRA — Married Filing Jointly	\$126,000 – \$146,000
IRA with non-Participant Spouse	\$236,000 – \$246,000
Roth — Single	\$150,000 – \$165,000
Roth — Married Filing Jointly	\$236,000 – \$246,000

Sources: Internal Revenue Service; Social Security Administration

Social Security

Full Retirement Age (FRA) in 2025	66 and 10 months (born in 1959)
FRA if Born in 1960 or Later	67
Maximum Monthly Benefit at FRA (2.5% COLA from 2024)	\$4,018
Portion of FRA Benefit Paid at Age 62 / 70 (estimated)	70% / 124%
Earning Limit Before Benefits Are Reduced — Years Prior to FRA (Lose \$1 for Every \$2 of Earnings)	\$23,400
Earning Limit Before Benefits Are Reduced — Year of FRA Up to Retirement Month (Lose \$1 for Every \$3 of Earnings)	\$62,160
Earning Limit Before Benefits Are Reduced — FRA or Later	No Limit
Modified AGI Limit Before Benefits Are Taxable (Single)	\$25,000 – \$34,000 (50% Taxable) \$34,000+ (85% Taxable)
Modified AGI Limit Before Benefits Are Taxable (Married Filing Jointly)	\$32,000 – \$44,000 (50% Taxable) \$44,000+ (85% Taxable)

Medicare Monthly Premiums and IRMAA Surcharges

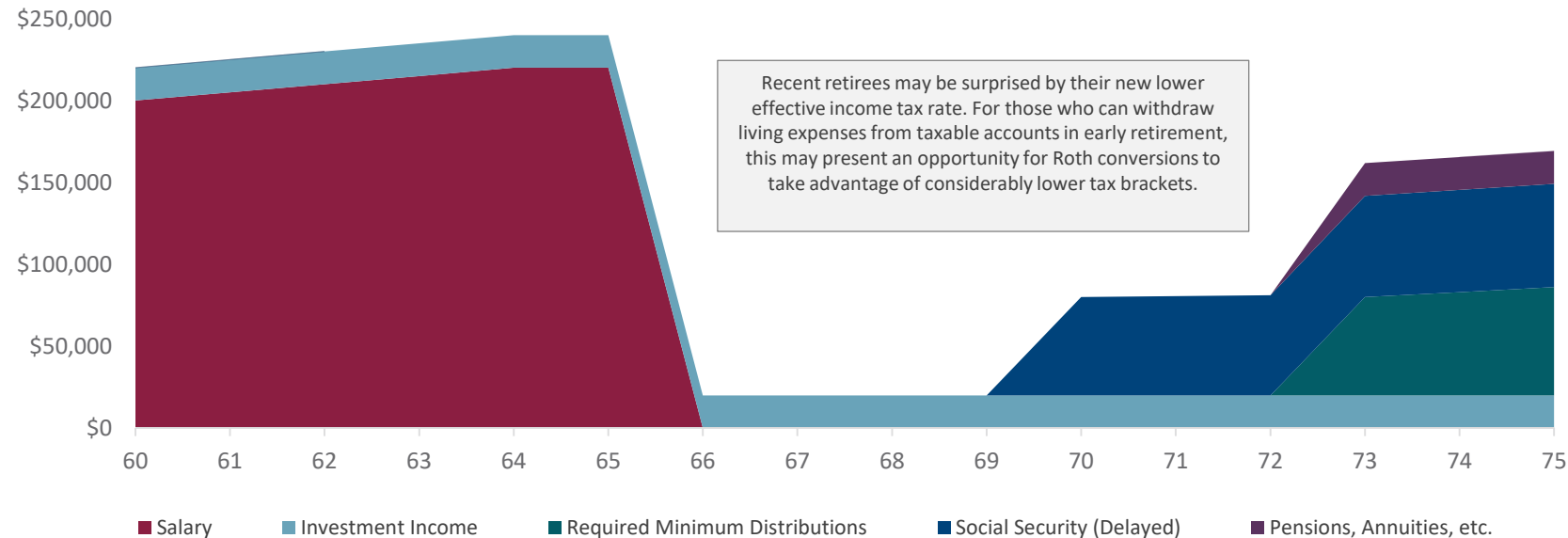
Part A	Less than 30 credits: \$518	30 – 39 credits: \$285		
Part B and Part D Surcharge (based in 2023 income)				
Single Filer	Married Filing Jointly	Part B	Part D Surcharge	
\$106,000 or less	\$212,000 or less	\$185.00	-	
\$106,001 - \$133,000	\$212,001 - \$266,000	\$259.00	\$13.70	
\$133,001 - \$167,000	\$266,001 - \$334,000	\$370.00	\$35.30	
\$167,001 - \$200,000	\$334,001 - \$400,000	\$480.90	\$57.00	
\$200,001 - \$500,000	\$400,001 - \$750,000	\$591.90	\$78.60	
\$500,001+	\$750,001+	\$628.90	\$85.80	



Roth Conversions in Retirement

Depending on when you retire and your taxable income, there may be a window of opportunity for Roth conversions that can add significant long-term value. The idea behind this strategy is to pay taxes on pre-tax IRA dollars in years when you are at a lower, more favorable tax rate—rather than later when you might be at a higher tax rate due to required minimum distributions and Social Security. Once the funds are in a Roth IRA, they will grow tax-deferred and come out tax-free upon qualification—either for your own use or for your heirs.

Illustrative Example of the Roth Conversion in Retirement Window of Opportunity



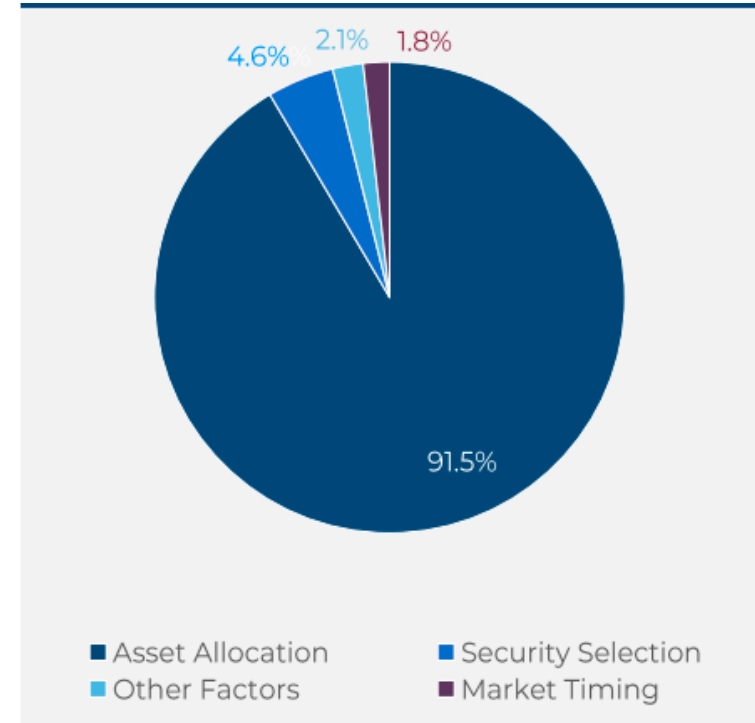
Roth conversions can typically be made over a several-year window. Your situation will dictate how much you may want to convert to take advantage of lower tax brackets. Roth conversions can't be recharacterized, so there is no undo. The latter part of the year is generally the best time to do a Roth conversion so that you have a good idea of what your income will be for the year. Always consult with your tax and financial advisors before implementing a conversion to make sure it is right for you.

Source: CAPTRUST Research.

Selecting Your Investments – Asset Allocation

Helpful Tips For Managing Risk

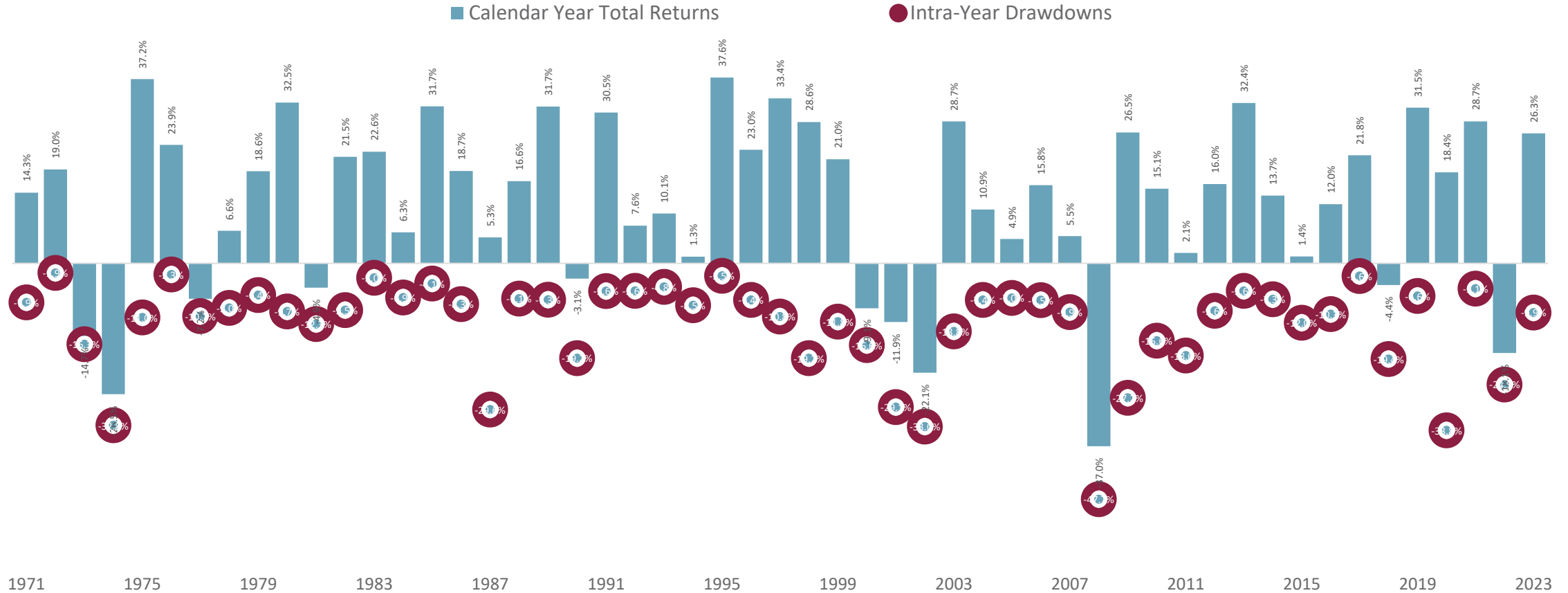
Understand what causes risk and take action to manage it.



Studies have shown that asset allocation can be a key contributor, along with adequate savings, to meeting your long-term retirement goals.

S&P 500 Index Annual Returns vs. Intra-Year Drawdowns

The U.S. stock market frequently experiences drawdowns or pullbacks. However, that volatility often occurs intra-year and can go unnoticed when we look exclusively at annual returns. The best preparation for volatility like this is to construct an investment strategy built to weather different market environments—and stick to it when drawdowns occur.



Sources: Morningstar Direct; CAPTRUST Research. S&P 500 Index total returns (price changes + dividends) represent calendar year returns from 1971 through 2023. Individual Intra-year drawdown refers to the largest peak-to-trough market drop during the calendar year.



Checklist: Five Essential Estate Planning Documents

Whether you are initiating an estate plan or revisiting one, there are five essential documents that everyone should draft. These documents will ensure that your family is prepared to act on your behalf — and according to your wishes — both before and after death.

1

LAST WILL AND TESTAMENT

Names an executor, appoints a guardian for children, and details how you want your property distributed after death.

2

DURABLE POWER OF ATTORNEY

Appoints a designee to make legal and financial decisions for you should you become incapacitated.

3

HEALTHCARE POWER OF ATTORNEY

Appoints a designee to make medical decisions on your behalf should you become incapacitated.

4

LIVING WILL

Also known as an advance healthcare directive, a living will specifies your wishes for end-of-life medical care.

5

HIPAA AUTHORIZATION

Authorizes doctors and insurance providers to release your medical information to a designee.

NEXT STEPS: Speak to your professional advisors about these important documents and other topics, such as beneficiary designations, letters of instruction, and trust documents. These should be revisited after significant life events, such as marriage, divorce, or the birth or adoption of a child, as well as changes to your state residency, financial picture, charitable goals, or family dynamic.

Source: CAPTRUST Research.

Retirement Readiness: Are You Prepared for the Future?

Questions



CAPTRUST

Social Security

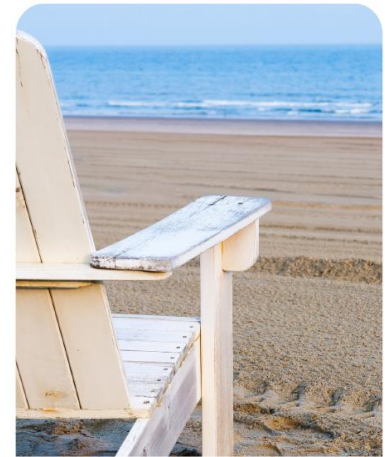


Maximizing your Social Security benefits depends on a variety of factors. It's important to carefully consider your options, as Social Security is a major source of retirement income for many Americans.² If your goal is to receive the maximum benefit, and you and your spouse expect to live into your 90s, one strategy is to delay claiming benefits until age 70. However, the decision is often more complex than this straightforward approach suggests.



Your retirement journey is unique to you. A financial advisor can best evaluate your situation and help you decide when the best time is to begin your Social Security benefits. There are additional rules within Social Security benefits that a professional can guide you through.

	Spouse	Spouse
At what age do I want to begin using Social Security benefits?	_____	_____
What will my monthly benefits amount be?	_____	_____
At what percent will my benefits be taxed?	_____	_____
Will my benefits affect my federal taxes?	_____	_____
What questions do I have about Social Security?	_____ _____ _____	



Medicare



Medicare is an insurance program run by the federal government for Americans over the age of 65 (it also covers those who are disabled). It is divided into 4 major parts: Part A, Part B, Part C, Part D.

Original Medicare ⁴

- Original Medicare includes Medicare Part A (Hospital Insurance) and Part B (Medical Insurance).
- If you want drug coverage, you can join a separate Part D plan.
- To help pay your out-of-pocket costs in Original Medicare (like your deductible and 20% coinsurance), you can also shop for and buy supplemental coverage.

Part A

Part B

You can add:

Part D

You can also add:

Supplemental Coverage

Some examples include coverage from a Medicare Supplement Insurance (Medigap) policy, or coverage from a former employer or union.

When you first enroll in Medicare and during certain times of the year, you can choose how you get your Medicare coverage.

MEDICARE

Medicare Advantage ⁵

- Also known as Part C
- Medicare Advantage is an “all in one” alternative to Original Medicare. These “bundled” plans include Part A, Part B, and usually Part D.
- Some plans may have lower out-of-pocket costs than Original Medicare.
- Some plans offer extra benefits that Original Medicare doesn’t cover— like vision, hearing, or dental.

Part A

Part B

Most plans include:

Part D

May include:

Lower out-of-pocket costs and extra benefits.

MEDICARE

PART A³ **Hospital Insurance**

- Hospital inpatient care
- Skilled nursing facility
- Hospice care
- Home health care related to a hospital stay

PART C³ **Medicare Advantage**

- Includes all benefits and services covered under Part A and Part B except hospice care.
- Emergencies and urgent care
- Dental care
- Wellness programs
- Medicare prescription drug coverage (Part D)

PART B³ **Medical Insurance**

- Lab work
- Outpatient care
- Medical supplies
- Durable medical equipment
- Preventive services

PART D³ **Prescription Drug**

- Voluntary plans that vary by plan and types of drugs covered.
- You may have to pay a late enrollment penalty if you do not sign up when you're first eligible.
- Plans are available through private companies that contract with Medicare to provide coverage.
- This website allows you to enter your required medications and then automatically matches you with the best personalized plan:
<https://www.medicare.gov/find-a-plan>.

Contact Information



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Important to Note

- **Determine Your resources**
 - **(Furman & Non-Furman benefits)**
- **Assess YOUR priorities**
- **Communicate with Supervisor and/or HR**
- **Recognize the Impact you've made to Furman or any other places of employment!**



Questions

