

# Retirement at a Glance

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## RETIREMENT MAGIC NUMBER

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The “magic number” needed to retire comfortably rose 15% year-over-year to \$1.46 million. For those with more than \$1 million in investable assets, that number increases to \$2.67 million. Actual results tell a different story: 23% of Americans with retirement savings say they have a year or less of their current annual income saved. (Source: Northwestern Mutual)

**1 BIG BET ON AFFORDABLE HOUSING** — New York City’s public pension funds announced **plans to invest \$4 billion (1.25% of total assets) in affordable housing developments.** The funds will be split into housing projects for seniors, apartment rehabilitation programs, and a trust to finance middle-income housing developed and managed by union labor. (Source: *New York Times*)

**2 BURNED OUT** — The **labor-force participation rate of Americans over 55 dropped to 37.2% in March, the lowest level since June 2005.** An AARP poll found that 25% of workers over 50 who planned to retire early cited stress and burnout as primary drivers, with anxiety over learning new technology among the key stressors. (Source: WSJ)

**3 EMPLOYERS CHIPPING IN —** Employers accounted for **34.7% of combined 401(k) retirement contributions in 2023,** up from 32.6% in 2008. Employers also contributed a larger share in bigger plans: in 2023, their share was under 29% in plans with less than \$10 million in assets compared to at least 36% in plans with more than \$500 million in assets. (Source: ICI)

**4 GEN X’S RETIREMENT WORRY —** **28% of older Gen X workers (aged 55–60) say they are extremely or very concerned about having enough income to last through retirement,** which is twice the rate of American Baby Boomers (aged 61–75). As a result, nearly half of older Gen Xers anticipate having to return to work during retirement, compared to only 21% of Boomers. (Source: Plan Sponsor of America)\*

**5 KNOW MORE, SAVE MORE** — 62% of Americans consider themselves financial beginners, compared to 38% who say they are financially savvy. **Those who are financially well versed are more than twice as likely to have over \$250K saved for retirement (38% vs. 15%).** (Source: Corebridge Financial)

**6 RULE OF \$1,000** — Instead of the “4% rule” for retirement, which suggests withdrawing 4% annually to make savings last over the long term, Kiplinger’s “rule of \$1,000” says that for **every \$1,000 of monthly income needed on top of Social Security, you’ll need about \$240,000 in savings.** (Source: Investopedia)

**7 RETIREMENT PUSHED BACK —** **Only 20% of workers who expect to work past their ideal retirement age cite job satisfaction as the primary reason,** with nearly half pointing to the rising cost of living. The average worker expects to work nearly four years past their ideal retirement age. (Source: Economist Enterprise)

**8 YOUR BENEFITS, YOUR CHOICE —** On April 15, the bipartisan OPTIONS Act was introduced in the House to provide employees with greater flexibility in allocating employer contributions. Beyond retirement programs, the **legislation would allow employees to also direct funds to health savings accounts, health reimbursement arrangements, and education assistance programs.** (Source: ASPPA)

**9 OFF TARGET** — A 2025 survey of retirement plan participants found that **34% wrongly believed target date funds are guaranteed to not lose money,** while 45% said they would be uncomfortable if their target date fund lost more than 10% in the five years before they retire. (Source: *New York Times*)

**Q QUESTION:** From November 2022 through February 2026, the Bureau of Labor Statistics’ Consumer Price Index (CPI) tracking inflation for Americans over the age of 62 (CPI-E) outpaced the overall CPI for 40 straight months. During that streak, how much did the cost of living for older Americans increase relative to the overall CPI?

\*According to Statista, Generation X was born between 1965 – 1980 and the Baby Boomer generation was born between 1946-1964.

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