Valerie S. Mason
Chair

Will Brightbill
District Manager

505 Park Avenue, Suite 620
New York, N.Y. 10022-1106
(212) 758-4340
(212) 758-4616 (Fax)
www.cb8m.com – Website
info@cb8m.com – E-Mail

The City of New York
Community Board 8 Manhattan
Women and Families Committee
Joint Meeting With the Health, Seniors, and Social Services Committee
Tuesday, June 10, 2025 - 6:30 PM
Conducted Remotely on Zoom

Minutes

Present: Elizabeth Ashby, Gayle Baron, Alida Camp, Susan Evans (public member), Sahar Husain, Peggy Price, Barbara Rudder, Judy Schneider, Robin Seligson, and Marco Tamayo

Approximate Number of Public Attendees: 44

Item 1: This timely forum addressed current Social Security challenges and retirement funding tools, including pre-retirement and post-retirement options.

Four stellar panelists participated in the forum. They were Dr. Eric Kingson, Professor Emeritus Syracuse University, and Board Chair Social Security Works; Beth Finkle, NYS Director of AARP; William Bader, Attorney, CPA, and Author of Optimize Your 401(k); and Jeffey Levy, Founder and President Harland Financial Corporation.

The first speaker was Ms. Finkle, who began her remarks by noting there are 37 million AARP members nationwide, with 2.25 million members residing in NYS. These members are powerful enough to influence governmental actions. By 2034, if Social Security is not shored up, beneficiaries may receive only 80% of current payouts. Ms. Finkle noted that, although AARP advocates on numerous issues, Social Security and Medicare are the two most important programs that AARP is addressing.

Since its inception 90 years ago, Social Security recipients have never missed their payments. Over 14% of Americans aged 65 and older rely on Social Security for 90% of their retirement income.

Recently there were threats to close down the Social Security call centers, thus forcing people to go in person to certify or recertify their benefits. About 4 million AARP members across the country took action and lobbied their elected officials to keep the call centers open. Even today, 7,000 Social Security staff are losing their jobs, creating 3 to 4 hour wait times to speak with a representative. Ms. Finkle pointed out that no matter what ones' politics are, Social Security is not an entitlement but a program that Americans have paid into and should receive. Currently there are 183 million workers paying into Social Security and 69 million older Americans are receiving benefits. Hopefully, the program will continue to provide full benefits for all recipients in the future.

Dr. Kingson was the next speaker. He explained that the population of Americans aged 65 and older will increase from 57,795 in 2022 to 106,335 by 2100. When looking at the combined old age and disabled population in the system today, 5.2% of Gross Domestic Product (GDP) is spent on the Social Security system. This is forecast to peak in 2078 at 6.4%. Going forward, a decline to 6.1% of GDP is anticipated by 2098.

Dr. Kingson believes Social Security costs could remain flat despite fear mongering. It is possible to address the projected short fall of 3% to 4%. As an example of avoiding a short fall, Dr. Kingson suggested that incomes of individuals earning over $400,000 could be taxed.

He believes there is not a Social Security crisis but rather a retirement income crisis. The top 25% of earners receive 89% of 401(k) benefits. With the cost-of-living escalating because of items such as the cost of long-term care and health insurance policies, it is often difficult to put aside money for retirement.

Americans receiving Social Security benefits today will be less impacted than those who have not yet retired. Dr. Kingson's final comment was that it is critical that we protect the system for our children and grandchildren who will follow us, since Social Security is the bedrock of retirement benefits.

With Social Security under siege from Washington, the need for personal savings becomes ever more critical. But how much personal savings will be needed for retirement? And how do we ensure these funds last through our lifetime?

Speakers William Bader and Jeffrey Levy addressed these issues from two perspectives: saving and investing pre- and post-retirement.

"While still working, people should start saving as early as possible," Mr. Bader stressed. As a guide, he cited Vanguard's 15% rule—in which workers save about 15% of pay annually for retirement. If employers offer matching contributions, employees could then deduct those matching funds (say, 3% or 6% of pay) from the 15% of pay they need to save.

To avoid running out of money in old age, retirees can adopt the 4% spending rule: According to that strategy, retirees withdraw 4% of savings in their first year of retirement and in subsequent years withdraw the same 4% but adjusted annually for inflation. The method aims to stretch savings over a 30-year period.

In addition, online calculators can help people determine the correct saving and spending amounts in retirement, based on their own circumstances.

As investment strategy, Mr. Bader touted "low-cost" index funds, such as those replicating the S&P 500 stock index. He suggested starting with two funds, an index fund of U.S. stocks for 80% of savings, and a foreign stock index fund for the remaining 20%.

As people age, switching some investments—say 25% of a portfolio—into an index bond fund could add investment safety, but pre-retirees should avoid putting tax-free municipal bonds into already tax-advantaged accounts, such as a 401(k).

If adopted early, this simple investment strategy can build sizable wealth and create options later in life. For instance, Mr. Bader said that those with a sizable nest egg likely could afford to delay starting Social Security until full retirement age or older—when they would maximize their Social Security benefit, but you won't be able to do that if you haven't saved money—or you are in poor health and need to begin Social Security benefits as soon as possible.

For people already in retirement, Jeffrey Levy recommended buying a Single Premium Immediate Annuity (SPIA) as a supplement to Social Security. With a SPIA, people pay a lump sum of money to an insurance company and get back a steady stream of income over time. Payments begin immediately or soon after purchase. The benefit: A SPIA (along with Social Security) "takes longevity out of the equation." "It helps address the issue of outliving your money," Mr. Levy said.

With fears of outliving your money gone, retirees could then "optimize their investment portfolio (and thus overall savings) by investing in quality stocks," he said. (Since SPIAs safely provide guaranteed income, people wouldn't need to invest in bonds.) "With the boost from stock income, retirees can feel freer to spend and enjoy their retirement," Mr. Levy held.

Eventually, funds may be needed for costly long-term care. And if "wealth transfer" is an issue, "the best approach is to use permanent life insurance," Mr. Levy held.

Item 2: Old Business – No Old Business

Item 3: New Business – No New Business

After a spirited Q&A session, the meeting was adjourned at approximately 8:43 PM

P. Gayle Baron and Margaret Price, Co-Chairs, Women and Families Committee
Wilma Johnson and Barbara Rudder, Co-Chairs, Health, Seniors, and Social Services Committee