

hark!

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Roth Coming in 2016



Next year, participants in UMPIP and Horizon will have a new opportunity for retirement savings. In addition to your current savings opportunities, you will be able to start making Roth contributions to these plans in early 2016.

WHAT ARE ROTH CONTRIBUTIONS?

Roth contributions are made to defined contribution plans on an after-tax basis, but earnings on Roth contributions are tax-free at withdrawal as long as certain qualification criteria are met. If your Roth contributions started five years before your distribution date and you are age 59 ½, permanently disabled or your beneficiary is taking a withdrawal of Roth contributions on account of your death, earnings and distributions from your qualified Roth account will not be subject to income tax.

SHOULD I MAKE ROTH CONTRIBUTIONS?

Contributing on a Roth basis may create advantageous tax outcomes for some people, but it may create detrimental tax outcomes for others. How do you know whether Roth contributions are right for you? After all, your overall retirement savings strategy should be informed by your personal financial circumstances, which are unique from person to person. You may have a personal financial planner or tax adviser helping you optimize your

savings strategy. However, you may not—or you may want another opinion.

Determining whether Roth contributions are right for you is as easy as calling EY Financial Planning Services at **1-800-360-2539** from 8:00 a.m. to 7:00 p.m., Central time. An EY planner will ask a series of questions that will help determine whether Roth contributions may benefit you. What's more, EY Financial Planning Services is available at no charge.* And, while you're inquiring about the potential benefits of Roth contributions based on your personal financial picture, why not get started on a comprehensive financial plan at the same time?

WHAT'S NEXT?

More information about Roth contributions and how to make a Roth contribution election will be provided during the coming months. Remember that Roth contributions become available in early 2016, so you won't need to make your decision about whether to make Roth contributions until the end of 2015. For now, you may contact EY for a personalized Roth contributions modeling consultation at no charge at **1-800-360-2539**.* Stay tuned for future communications that will explain how to make a Roth contribution election effective in 2016 should Roth be a good choice for you.

Determining whether Roth contributions may be right for you is as easy as calling **EY Financial Planning Services** at **1-800-360-2539**.

*Costs for these services are included in the General Board's administrative expenses that are paid for by the funds. Services are available to active participants and surviving spouses with account balances, and to retired and terminated participants with account balances of at least \$10,000.



General Board

Pension and Health Benefits

Caring For Those Who Serve

INVESTING OPPORTUNITIES

Help Yourself to Better Retirement Investing

Most people want to maximize investment returns in their retirement accounts, but don't know the best way to do so. It's important to make regular contributions, keep your investments diversified and take on an appropriate level of risk, but many feel unprepared or unsure when making investment decisions. That's why it's good to get help from a professional.

Help comes in many forms—from managed account services to one-on-one counseling—but the impact is measurable. A May 2014 study by Aon Hewitt and Financial Engines found that “help participants” outperformed “non-help participants” by more than an average three percentage points a year, net of fees—returns from the help group exceeded the non-help group in all age categories. Those findings are echoed in many other studies, such as the annual DALBAR *Quantitative Analysis of Investor Behavior*, which repeatedly finds that investor behavior is the cause of underperformance and that consulting an adviser may prevent investors from making imprudent decisions.

General Board-administered retirement plans offer help with making appropriate investment decisions for your retirement assets—with the **LifeStage Investment Management Service (LifeStage)**, a managed account offering, and **EY Financial Planning Services**, an opportunity to receive personalized guidance at no charge.*

Professional help can make a significant difference in your retirement readiness. But you won't know the true value until you take advantage of the offerings available from your plan. If you are interested, use the investment guidance we have made available through the LifeStage Investment Management Service and EY Financial Planning Services. Learn more today at www.gbophb.org/retirement/services/ey/ and www.gbophb.org/retirement/services/lifestage.

LifeStage Investment Management Service

LifeStage is a managed account program that helps you manage your General Board-administered retirement accounts sensibly and effortlessly. LifeStage does all the work—determining your target fund allocation and rebalancing your allocations when appropriate.

EY Financial Planning Services

Offers one-on-one, personalized, professional guidance at no charge* to help you evaluate your financial situation and address retirement-related and other concerns. Call EY at **1-800-360-2539** to speak to a financial planner with special training in topics important to participants, including General Board-administered plans and programs, and the clergy housing allowance.

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Make the Most of Your Consultations

Creating a plan for your visit can help you communicate clearly with your doctor and make sensible decisions about your health.

Organization is important in all aspects of your life—finances, career and even health. While you may know it's a good idea to see a doctor or other healthcare provider regularly, those visits may leave you with questions. It's common for patients to forget to share their health concerns with their doctor. Doctors need information about you, your family and your lifestyle to address any health issues you may have. There are, however, ways to optimize your visit.

BEFORE YOUR VISIT

- Make a list of questions you'd like to ask your doctor during your visit, and bring it to your visit.
- Bring a friend or family member, especially if there are language or cultural differences.
- Consider researching your health concerns using reliable, doctor-recommended websites or resources.

DURING YOUR VISIT

- Ask for your doctor's contact information in case you have follow-up questions.
- Be honest and upfront with your doctor, even if you feel embarrassed or uncomfortable.
- Show your doctor your written question if you feel uncomfortable talking about it.
- Take notes or bring a tape recorder so you don't forget important information or instructions.
- If you don't understand, ask questions until you do.

AFTER YOUR VISIT

- Ask your doctor how to access your medical records to track test results, treatment plans, medications, etc.—many doctors offer records electronically.
- Contact your doctor, nurse or other health professional if you are uncertain about instructions or have other questions.

Remember, you and your doctor are partners in ensuring you have the best health care available.

Before Your Visit

- Make a list of questions

During Your Visit

- Be honest and upfront

After Your Visit

Ask your doctor how to access your medical records

RETIREMENT PLANNING

New Church, New Contributions

We've just come through another moving season in The United Methodist Church—did you remember to update your retirement contributions?

A new clergy appointment can mean moving to an unfamiliar area and forging a relationship with a new congregation. Even clergy who were diligent about personal retirement contributions through UMPIP may not realize that a new *Before-tax and After-tax Contributions Agreement* must be submitted to continue their participation in the plan—even if the deferral percentage or amount is the same as in the last appointment.

Other Church-provided benefits, such as CRSP and CPP continue. But without personal contributions to UMPIP, you may lose out on your matching contribution to CRSP—lowering your total contributions from 3% to 2% of plan compensation.

Contributing the minimum to earn a match may not be enough to support your retirement lifestyle. Consider contributing more for a better chance at a comfortable retirement. Many experts recommend annual retirement income that is 85% of what you earned during your last year of work—100% if you lived in a parsonage. Will contributing 1% of your plan compensation enable you to meet that goal?

A new *Before-tax and After-tax Contributions Agreement* can be submitted at any time. To reinstate or increase your UMPIP contributions, visit www.gbophb.org/assets/1/7/3255.pdf to access the agreement, and then send the completed form to your payroll administrator. Don't wait and miss out on potential earnings and tax savings.

Double Your Money With Matching

If your church or employer offers matching contributions, make sure you save enough in UMPIP to earn the full match. Receiving a dollar-for-dollar matching contribution is like earning a 100% return on your investment the day your personal contribution is deposited in your account.



Investment Solutions
for United Methodist
Organizations

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a division of the General Board of Pension and Health Benefits of The United Methodist Church

NAME CHANGE REMINDER—WESPATH IN 2016

As announced in the July issue of *Hark*, the General Board's name will change in July 2016 to "Wespah—Benefits and Investments." The name "Wespah" has been used since 2011 to refer to our Investments division.

In the coming months you may begin to see our new name cobranded in our materials. If you have any questions about this change, you can contact the General Board's Call Center at **1-800-851-2201**. Representatives are available business days from 8:00 a.m. to 6:00 p.m., Central time.