

3 Smart Uses for Your Income Tax Refund



2018 ushered in big changes to U.S. tax law leaving many taxpayers unsure of what to expect when filing this year. If you receive a refund, you should decide how to use the extra cash to meet your goals.

You might need to split up your refund to put a little money aside for multiple goals, or you may have other plans for your refund. Set and prioritize your financial goals, ranking them based on: importance, time before the financial need and your ability to access other funding sources.

If you need help, contact EY Financial Planning Services for professional financial assistance at no additional charge at **1-800-360-2539***. Learn about this service at wespath.org/ey.

* Costs for EY Financial Planning Services are included in Wespath's operating 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.

1



Save for Retirement

You can't deposit money directly into your United Methodist Personal Investment Plan (UMPIP) or Horizon 401(k) Plan account because contributions must be deducted from your salary. However, your refund can still help you build your retirement savings. Complete and submit a *Contribution Election* form to increase your regular contribution percentage, and use your tax refund to pay your bills.

2



Build an Emergency Fund

Financial advisors recommend at least 3 to 6 months of living expenses in a liquid account (e.g., savings or checking). This "rainy day" fund will keep you from having to take on debt or access retirement accounts if you have an unexpected expense. This money should be set aside in a separate account so you don't access it for regular, planned expenses. If your refund isn't enough for the whole amount, make a down payment on your emergency fund and add to it when you have extra income.

3



Pay Your Debt

About 39% of American adults planned to use their refund to pay debt, according to a 2016 National Retail Federation survey. This can be a good financial move because interest on debt increases the amount you owe. Every \$1,000 you spend on a credit card could cost an extra \$474 in interest when making only minimum payments.** Also, missed payments lower your credit rating and may impact future credit or loan qualifications, job applications, car and property insurance rates, rent, professional licensing and more.

** Assumes 18% interest rate

Watch the "**7 Things to Do with Extra Money**" webinar on the EY website at wespath.eyfpc.com—log in then view the archived January 17 presentation by clicking "**EY Events**" under the search box on the right side. You will need your participant number—accessible in Benefits Access (benefitsaccess.org) under **My Benefits > Personal Profile > Personal Information** or by calling Wespath at **1-800-851-2201**.



General Conference 2019 Update

The “Traditional Plan” was passed by a majority of delegates to the special called General Conference held February 23 – 26 in St. Louis. This plan upholds The UMC’s restrictions on ordaining LGBTQ clergy and officiating at same-sex marriages.



Photos courtesy of the United Methodist News Service



In April, the Judicial Council will consider portions of the Traditional Plan previously identified as “unconstitutional” based on Church law. Depending on the Judicial Council’s April ruling, these portions may be eliminated from the final Plan.

Wespath’s Mission Remains

Wespath maintains an unwavering commitment to our mission: caring for those who serve by providing investment and benefit services that honor the mission and principles of The United Methodist Church. We will continue to plan for the long-term sustainability of your benefits.

Last year, Wespath was asked by the Commission on a Way Forward and the Council of Bishops to analyze the potential benefits impacts of the church structure petitions brought to General Conference. **For participants who remain in connection with The UMC, nothing will change—retirement benefits for clergy and lay employees continue as usual.** This scenario planning resulted in the recommendation and approval of two petitions intended to address pension-related issues: **Petitions 90016 and 90017.**

Wespath will continue to provide updated information on this topic via a Frequently Asked Questions webpage—wespath.org/WayForwardWespathFAQ.

We are prepared to make whatever changes are required to **continue serving the Church** in whatever form it takes. We have been caring for those who serve for over 100 years, and that will continue well into the future.

Petitions 90016 and 90017:

Protecting Conferences

Petition 90016 aims to protect conferences if a local church chooses to withdraw from the denomination. Specifically, the withdrawing local church must first pay to the conference its share of pension costs—long-term unfunded pension obligations for clergy and beneficiaries. Wespath is permitted by *The Book of Discipline* to continue servicing these churches, as long as they share “common bonds and convictions” with The UMC.

Clergy Benefits Earned to Date Are Secure

Petition 90017 ensures the continuity of benefits for clergy who remain in The UMC connection. Active clergy who leave The UMC will not lose earned benefits, but the form of their retirement benefits will change. Pre-82, MPP and CRSP DB benefits for clergy whose conference relationship ends will be converted to an account balance that is transferred to UMPIP. The clergyperson can then choose to leave this money at Wespath or access the account balance at any time.



Mark Your Calendars—Upcoming Events

Spring 2019 Retirement Webcasts

For 2019 clergy retirees—Wespath can help you understand your benefits.

- May 7 from 2:00 to 3:00 p.m., Central time
- May 8 from 11:00 a.m. to noon, Central time

The content will be the same; choose the time that best fits your schedule. Register at wespath.org/events.

Ways to Maximize Your Time on Benefits Access

Benefits Access (benefitsaccess.org) allows you to self-manage your retirement savings and investments—but did you know it also saves you time?

	WHERE TO GO	TIME SAVED
<p>Personal Information</p> <p>Update your personal data with Wespath in seconds. You can notify us of changes to your address, phone number, e-mail address and more.</p>	Take Action > Update Personal Data > Update Contact Information	Over Calling: 10 minutes
<p>Beneficiary Updates</p> <p>Beneficiary designations determine who receives your account balances when you die. You should periodically review them, and update them after life changes (e.g., birth/adoption of a child, marriage, changes to beneficiary contact information, divorce, death).</p>	Take Action > Update Personal Data > Update Beneficiary Designation	Over Calling: 25 minutes
<p>Use the Benefits Projection Tools</p> <p>The Retirement Benefits Projection, Retirement Readiness Tool and LifeStage Retirement Income Calculator are great for helping you see projected retirement benefits.</p>	Take Action > Project Future Values > Choose an option from the drop-down menu	Over Calling: 25 minutes
<p>Manage Investments</p> <p>Change your investment allocation, rebalance your account or sign up for LifeStage Investment Management. You can even call EY and walk through the choices with them as they view your account remotely (with your permission).</p>	Take Action > Manage Investments > Choose an option from the drop-down menu	Over Calling: 20 minutes
<p>Apply for Retirement Benefits</p> <p>The online application is the fast, easy and secure way to apply for benefits and manage distributions. It streamlines the process and customizes your application so you are only presented with relevant information and elections.</p>	Click green "Review" button on homepage after logging in	Over Calling: 1 hour
<p>Access Your Statements and Tax Forms</p> <p>View your quarterly statements, <i>Hark</i> newsletters and annual tax forms online. Plus, if you choose electronic delivery, you will receive an e-mail notification when your documents and transaction confirmations are available.</p>	Take Action > Update Personal Data > Electronic Delivery Election	Over Mail: 2 Days



The PIN Was a Pain—Now It's Gone!

Wespath just made accessing your account online easier and more secure. You no longer need to use a PIN to register for Benefits Access.



NOT REGISTERED YET? Get started now at benefitsaccess.org; select "New User Registration." What you learn on Benefits Access just might save your retirement.

Principled Fund Management

We continue our series highlighting Wespath's Investment Beliefs, which help define our investment philosophy, while aligning our products and services with the principles of The UMC.



Belief—Culture

- We believe a culture that encourages open dialogue, in an environment that embraces mutual respect, leads to better investment decisions.
- We strive to reach investment decisions through the consideration of opinions from a team representing a diversity of backgrounds and life experiences.

To view all of our investment beliefs, visit wespath.org/assets/1/7/5060.pdf.



Did You Know? April Is Financial Literacy Month!

Make time this month to focus on financial education. Gain your financial freedom by taking a small step each day toward your financial goals—such as reading articles from reputable sources, budgeting using a website or mobile app, and increasing your retirement plan contributions. You may be able to save only a little, but it's ok to start small and increase your savings over time. The key is to start now! Check the Wespath Facebook and Twitter accounts for our financial tips of the week throughout the month of April.

And remember EY is available to help you! [1-800-360-2539 | wespath.eyfpc.com](https://www.ey.com)

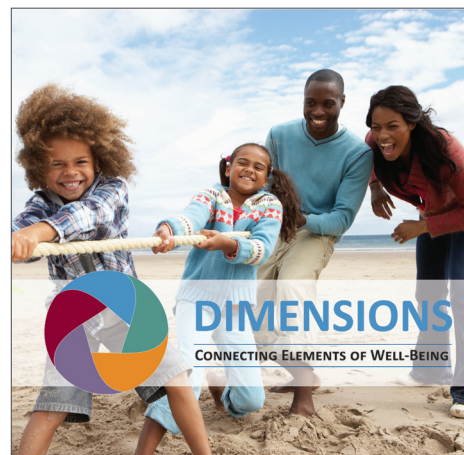
Wespath
INSTITUTIONAL INVESTMENTS

Serving the Missions
of a Broader Range of
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OLDER ADULT MINISTRIES

wespath.org

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Improve Your Well-Being with the *Dimensions* Newsletter

The April issue of Wespath's *Dimensions* well-being newsletter is now available!

Visit wespath.org/benefits/newsletter to learn how to take a look at your overall benefits—health, retirement and well-being programs—to see where you thrive and where you could use extra attention.

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