

# hark!

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## RETIREMENT SAVINGS

# Save a Little More Today and Boost Your Retirement Income

*How much should you be saving for retirement?* Most financial experts suggest that you save between 10% and 15% of your current income for retirement.

Even if you're not ready for such a steep savings commitment, consider how saving a little more today could mean big money in retirement. Let's keep it simple.

### TAKE ADVANTAGE OF BEFORE-TAX SAVINGS

Say your total income tax liability is 20% of your gross pay. If you contribute \$100 before taxes to your retirement plan every month, your take home pay will only drop by approximately \$80. Can you find an extra \$80 in your monthly budget so

that you can save \$100 a month in your retirement plan?

### LET YOUR MONEY WORK FOR YOU

Thanks to the power of compounded earnings, saving a little more today could make a big difference in your retirement savings and income tomorrow.

### MEET YOUR MATCH

Above all else, make sure to contribute at least enough to take full advantage of your employer's matching contributions.

If your employer matches up to 2%, for example, you will need to contribute at least 2% to receive the full match amount. Matching contributions are essentially *free money* to you—take full advantage of them!

### CALL FOR HELP

There are all sorts of ways to save money—but not all of them work for everyone. Call EY Financial Planning Services at **1-800-360-2539** for personalized assistance.

## ELECTRONIC DELIVERY Go Green!

With Benefits Access ([www.benefitsaccess.org](http://www.benefitsaccess.org)), you can elect to view your quarterly retirement account statements and *Hark* newsletters online and receive transaction confirmations by e-mail.



Electronic delivery is fast, easy and safe. It protects against mail identity theft and preserves the environment. Electronic delivery is the default selection at registration. However, if you previously chose U.S. Mail, you may change your election at any time through the **Take Action** menu. Under **Update Personal Data**, choose "**Change electronic delivery election.**"

Sign up for electronic delivery today, and help us work toward a greener tomorrow.



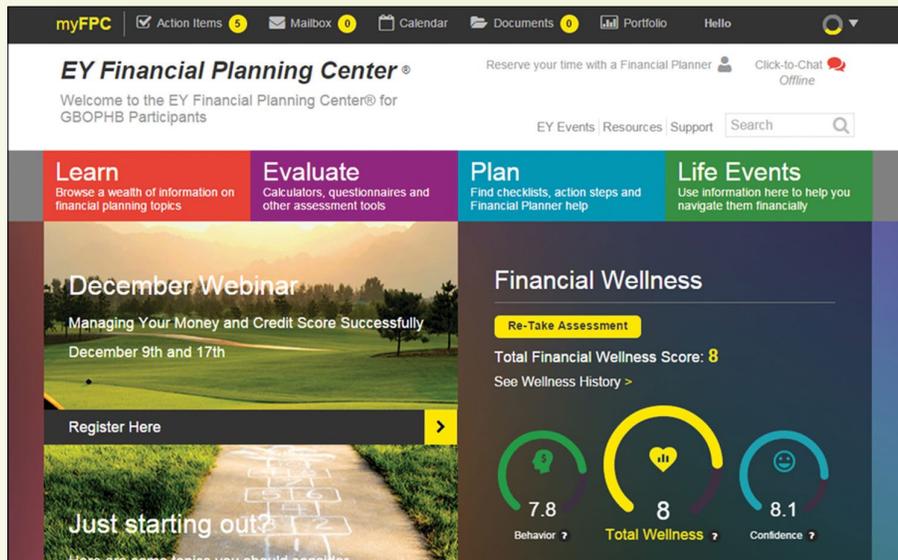
General Board

**Pension and Health Benefits**

*Caring For Those Who Serve*

FINANCIAL WELLNESS

# EY Introduces New Website and Financial Wellness Assessment



The General Board has offered EY Financial Planning Services since 2005 to promote participant financial wellness. EY provides confidential, objective guidance to help keep you on track to meet your financial goals. As a demonstration of their commitment to our participants, EY has recently upgraded its website to better serve you.

The new EY website offers more enhanced support and interactive tools, including:

- Personalized action items created just for you
- *Click-to-chat* feature for immediate financial planner discussion and support
- Guided support during personal browsing sessions
- Access via mobile devices

## WEB-BASED FINANCIAL WELLNESS ASSESSMENTS

One of the new tools available on the EY website is the Financial Wellness Assessment. *Financial wellness* is an important goal for participants—and

is considered by the General Board’s Center for Health to be one of the five dimensions of health that are vital for overall well-being.

The link between psychological stress and physical health and well-being is well documented. The American Psychological Association found in 2014 that having sufficient financial resources is the top source of stress. Approximately 20% of employees had missed work in the past year to deal with a financial problem, according to a 2014 Aon Hewitt study. Also, 39% of the financially stressed admitted to either thinking about or dealing with financial problems at work.

The EY Wellness Assessment can help you understand and begin to address your financial concerns. Complete the assessment, review your score and follow the personalized, recommended actions to improve your financial wellness.

EY financial planners are available for additional guidance at no charge by phone at **1-800-360-2539** or via the Web chat feature on the site.\*

### Try it Today

The new EY website requires unique usernames and passwords to help ensure the security of your information.

Registration is quick and easy:

1. Retrieve your Employee ID/ participant number
  - a. Log in to **www.benefitsaccess.org** and select **My Benefits>Personal Profile >Personal Information**
  - b. Call us at **1-800-851-2201**
2. Visit **https://gbophb.eyfp.com**
3. Click **“Register now”**
4. Enter the requested information



*Complete the EY Financial Wellness Assessment, review your score and follow the personalized, recommended actions to improve your financial wellness.*

\*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. Costs for these services are included in the General Board’s administrative expenses that are paid for by the funds.

## RETIREMENT PLANNING

# Participant Contribution Limits for 2016

The IRS recently announced that retirement plan contribution limits are unchanged for 2016

- Before-tax and/or Roth contributions of up to:
  - **\$18,000** if under age 50
  - **\$24,000** if age 50 or older
- An **additional \$3,000** if you have served 15 or more years of service with a “qualified organization” (subject to a \$15,000 lifetime limit and other rules)

If you have more than 15 years of service and want to contribute more than \$18,000 (or \$24,000) this year, please contact the General Board at **1-800-851-2201** and request a *403(b) Contribution Planner*.

Total contributions—before-tax, Roth, after-tax and plan sponsor contributions

(if any)—cannot exceed **the lesser of \$53,000 or 100% of your total compensation** (not including housing allowance amounts). The higher limit for those over age 50 does not count toward this limit.

### RETIREMENT SAVINGS CONTRIBUTIONS CREDIT (SAVER’S CREDIT)

The Saver’s Credit allows before-tax retirement contributions and a federal income tax credit—a dollar-for-dollar reduction in the taxes you pay. To qualify, 2016 adjusted gross income cannot be more than \$61,500 (married filing jointly),

\$46,125 (head of household), or \$30,750 (single, married filing separately, or a qualifying widow or widower). It varies from 10% to 50% (up to \$1,000 or \$2,000 if filing jointly). For more information, go to **www.irs.gov**.



## ACCOUNT MANAGEMENT

# LifeStage Suite Retirement Planning Support

Although you may not be a financial expert, the General Board’s LifeStage services can help you plan like one—whether you are saving for retirement or trying to determine how much you can reasonably spend in retirement.

The General Board designed these services to streamline the management of your retirement assets and offer support regardless of your *life stage*:

- **During your career**  
The LifeStage Investment Management Service manages the savings you’ve invested in General Board-administered retirement plans.
- **Throughout retirement**  
LifeStage Retirement Income manages distributions from your General Board-administered retirement accounts.

- Age
- Risk tolerance
- Eligibility for Social Security benefits
- Plans for your Ministerial Pension Plan account balance, if applicable

LifeStage adjusts your target over time, periodically rebalancing your investment

portfolio as necessary to maintain the target investment mix or allocation.

### LIFESTAGE RETIREMENT INCOME

Not sure how to develop a distribution strategy that prevents you from running out of money in retirement? We can help with that too. LifeStage Retirement Income

*continued*

### LIFESTAGE INVESTMENT MANAGEMENT SERVICE

Don’t know much about investing? You’re not alone, and we can help. The LifeStage Investment Management Service develops a customized target investment mix for you based on your:



ACCOUNT MANAGEMENT

# LifeStage Suite

*continued*

issues monthly payments from your defined contribution accounts. These payments are designed to last for your lifetime and adjust annually to account for changes in:

- Inflation
- Your age
- Your remaining account balance

When you use LifeStage Retirement Income to manage your retirement income payments, the LifeStage Investment Management Service manages the investment of your accounts, determining an appropriate investment strategy for you. This combination aims to provide regular monthly income with cost-of-living adjustments.

The General Board offers the LifeStage Retirement Income Calculator to help determine how much distributions would be with LifeStage Retirement Income (log in to [www.benefitsaccess.org](http://www.benefitsaccess.org) and select **Take Action>Project Future Values>Calculate LifeStage Retirement Income**).

We recommend that you also take advantage of the **no-charge financial guidance available from EY Financial Planning Services.\***



### EY FINANCIAL PLANNING SERVICES CAN HELP

- Determine whether the LifeStage services are right for you
- Develop a custom allocation mix or custom distribution plan
- Review your savings or distribution plan regularly to ensure it continues to meet your needs

Financial planners are available Monday through Friday from 8:00 a.m. to 7:00 p.m., Central time at **1-800-360-2539**.

For more information about the LifeStage services, visit [www.gbophb.org/retirement/services/lifestage/](http://www.gbophb.org/retirement/services/lifestage/).

*\*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. Costs for these services are included in the General Board's administrative expenses that are paid for by the funds.*

### RETIREMENT PLANNING

# Roth Is Here!

The General Board began accepting participants' Roth contributions for the United Methodist Personal Investment Plan (UMPIP) and the Horizon 401(k) Plan on January 1, 2016. As a reminder, Roth contributions are made to defined contribution plans on an after-tax basis; earnings on Roth contributions are tax-free at withdrawal as long as certain qualification criteria are met. For more information about Roth see the October issue of *Hark!*

Determining whether Roth contributions are right for you is easy. Call EY Financial Planning Services for a no-charge, personalized Roth contributions modeling consultation. Representatives are available from 8:00 a.m. to 7:00 p.m., Central time at **1-800-360-2539.\***



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

### REQUIRED ANNUAL DISCLOSURE TO CHURCH PLAN PARTICIPANTS

Retirement plans administered by the General Board are church plans that are not subject to registration, regulation or reporting under:

- The Investment Company Act of 1940
- The Securities Act of 1933
- The Securities Exchange Act of 1934
- Title 15 of the United States Code
- State securities laws

Similarly, the administrator and the trustee of the plans and the entities maintaining any investment funds under the plans are not subject to the provisions of those acts or laws. Therefore, plan participants and beneficiaries will not be afforded the protection of those provisions.