

Quadrennial
Benefits
Conference

Navigating the Path
2016



PAVING THE WAY TOGETHER

Promoting Defined Contribution Plan Engagement



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Agenda

- Why Defined Contribution (DC) Engagement?
- Where Do We Stand?
- What Have We Done?
- What's Next?

Why DC Engagement?

DC plan
can be used
to close projected
retirement income
gaps

Mission to prepare clergy and lay employees for financial security in retirement

- Defined Benefit (DB) and DC for clergy
- DC only for lay employees
- DB does not require engagement until benefit elections are made
- DC can be used to close projected retirement income gaps, but engagement is required

Why DC Engagement?



Where Do We Stand?

Financial matters cause employees the most stress

52%

**are financially
stressed**

28%

**have negative
health impact**

PricewaterhouseCoopers 2016 Employee Financial Wellness Survey

Where Do We Stand?

82% project
a retirement
income gap
of **30%**

DC engagement
can bridge the gap

What Have We Done?

Enhancement	Description	Utilization
LifeStage Investment Management	Autopilot investment allocation solution	76%
EY Financial Planning Services	Comprehensive financial planning services	9%
CRSP* Match	1% match on UMPIP* contributions	82%
LifeStage Retirement Income	Autopilot distribution management solution	21%
Retirement Readiness Tool and Statements	Modeling tools assume 85% income replacement need	7% First statement cycle complete
Roth Contributions	Tax-advantaged distributions	2%

- *CRSP—Clergy Retirement Security Program*
- *UMPIP—United Methodist Personal Investment Plan*

What Have We Done?

“The reward for work well done is the opportunity to do more.”

— **Jonas Salk**

What's Next?

DC Engagement Objectives

- Improve retirement income adequacy
- Increase participation rate
- Increase contribution percentage
- Increase average account balance
- Increase utilization of savings tools and planning resources
- Improve understanding of our benefits and how to use them optimally
- Use data and survey input to inform initiatives

What's Next?

Top 3 Engagement Opportunities

Sent by
conference liaisons
to CBOs by
September 19

Launch
targeted efforts
over the next
8–12 months

Measure
results and report
progress

What's Next?

Participant Survey

Launched August 25
and closed
September 8

Most valued services
Communication
effectiveness
Financial wellness
attitude and confidence
Customer service
satisfaction

Results will inform
resource and service
promotion

What's Next?

Automatic Features

Combat inertia

Improve
retirement readiness
with less engagement

Conference
input summary



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