

SERVANT SOLUTIONS NEWSLETTER JUNE 2024



Servant Solutions
YOUR RETIREMENT & FINANCIAL PLANNING PARTNER



WHEN IS IT TIME TO RETIRE?

REV. DAVID BOOTS, DIRECTOR OF MEMBER RELATIONS

Although this is a question that has no right or wrong answer, as we all are unique in our journey, let's take a brief look at some factors to consider as you begin seeing the faint glow of retirement out on the horizon. The most obvious indicator is knowing you have heard from the Lord that what you have been doing is complete, and He is leading you toward something new. Given that prompt, there are two other factors that will play into the timing of your transition.

The Financial Factor:

Finances play a huge role in this next season of life and, as faithful stewards, we should be responsible to seek wise counsel in this area. Let me suggest completing a **Financial Roadmap** through Servant Solutions if you have not done so in recent years. At minimum, I believe doing this no later than age 55, and then plan to do it again at age 62. There is no "magic time," but I personally found these points to be a great time for a check-up through a Roadmap. This journey will consider all of your financial resources -and any liabilities/debt- to give you a complete picture of how financially prepared you are to retire. Go to ServantSolutions.org/financial-planning to begin the process of this free assessment.

continued on page 3



(800) 844-8983



info@servantsolutions.org



servantsolutions.org



Rev. Jim O'Bold

A WORD FROM OUR PRESIDENT

FAILURE: A FRIEND, NOT A FOE, ON THE ROAD TO FINANCIAL SECURITY

At Servant Solutions, our mission is “Serving Those Who Serve.” We understand that ministry leaders wear many hats – pastor, counselor, community organizer – and financial planning often gets pushed to the back burner. But building a secure financial future is essential for focusing fully on your calling.

Today, we want to address a common concern – the fear of failure when it comes to investing. It’s true, successful investing requires taking calculated risks. The conventional wisdom seems straightforward: the higher the risk, the greater the potential reward. However, the reality is more nuanced. To achieve your financial goals, you’ll need to embrace a seemingly contradictory truth: **failure is an essential element of success.**

At Servant Solutions, we are dedicated to improving financial security for the servants of the church. We understand that the prospect of risk can be daunting, especially when our primary focus is on our ministry work. However, it’s important to recognize that the assumption of risk is an indispensable part of successful investing. This does not mean taking reckless gambles, but rather sacrificing certainty in a skillful and intelligent manner, with our emotions under control.

Think of it like this: no athlete reaches peak performance without experiencing setbacks and missed shots. Similarly, no investor experiences a perfectly straight upward trajectory. There will be bumps in the road, investments that underperform, and even outright losses. The key is not to avoid these failures altogether, but to manage them skillfully and with a cool head.

So, how do we navigate this paradox? Here are a few tips:

- **Diversification is Key:** Spread your investments across different asset classes to mitigate risk. A

diversified portfolio helps you weather market downturns, because when some investments go down, others are likely to go up.

- **Invest with a Long-Term Perspective:** Short-term market fluctuations shouldn’t cause panic. Stay focused on your long-term goals and avoid making emotional decisions based on daily headlines.
- **Seek Professional Guidance:** While Servant Solutions offers a wealth of free resources, sometimes a more personalized approach is necessary. Our Certified Financial Planners can help you assess your risk tolerance, craft a

customized investment strategy, and ensure you’re on track to achieve your financial goals.

Here at Servant Solutions, we understand the unique challenges ministry leaders face. We offer financial planning services at fees

and expenses lower than the average retirement plan, making professional guidance more accessible.

Remember, **failure is not the opposite of success; it’s often a steppingstone on the path to achieving your financial goals.** With Servant Solutions as your partner, you can navigate the complexities of investing with confidence, allowing you to focus on your calling and the people you serve. Together, we can help you build a secure financial future, allowing you to continue your vital work in the service of others.

James M. O'Bold



TIME TO RETIRE?, continued from page 1

Some key milestones to consider:

Age 59-1/2 – You can withdraw from your retirement accounts without penalty

Age 62 – You can opt “early” to begin collecting lower Social Security Benefits

Age 65 – When your Medicare benefits begin

Age 70 – Waiting past this birthday will not increase your Social Security Benefit

The “What’s Next?” Factor:

After serving decades in ministry, the decision to step away from what we have known for so long can be difficult. I personally experienced this flood of emotions as I sensed the Lord calling me to take the step. I chose to view it as simply changing lanes and finding a renewed

sense of purpose, not in being a pastor in a church, but in having the opportunity to connect with those outside the church—those living nearest to us.

The invitation to join Servant Solutions part-time came only after I responded to His call to change lanes! We’re connecting with our neighbors as never before. Volunteering in our local church. Coming alongside several local pastors as a confidential prayer partner, mentor and encourager.

What might “changing lanes” look like for you? Do your financial homework (*with our help!*) then be ready when He says, “it’s time.” You may not know your next step until you take the first step!



Rev. David Boots

Roth 403b

should you invest?

This tool to plan for retirement within the Servant Solutions Retirement Plan can provide advantageous tax results for many participants. Each person’s situation is different, so it is important that you carefully make a decision that works best for you. Visit servantsolutions.org/roth or contact us today!

“TRY ON” OUR FINANCIAL CALCULATORS



Did you know that Servant Solutions has ten financial calculators available on our website? These tools can assist you with your financial and retirement planning. You’ll find them in the **Learning Center** of our website.

• **Roth 403(b) vs. Traditional 403(b):**

This calculator can help determine the best option for contributing to your retirement: Roth “after-tax” contributions or traditional “before-tax” contributions.

• **Investment Savings & Distributions**

Use this calculator to see how long your investment savings can last once you begin taking distributions.

• **Mortgage Loan Calculator (PITI):**

Use this calculator to determine your monthly mortgage principal, interest, taxes and insurance payment (PITI) and amortization schedule.

• **Retirement Planner:** Do you know what it takes to work towards a secure retirement? Use this calculator to help you create your savings plan.

• **Home Budget Analysis:**

By entering your income and monthly expenditures, you can see how much you have left to save and where your money is being spent.

You’ll also find:

- **How Important is Social Security?**
- **Debt Snowball**
- **Life Expectancy**
- **RMD (Required Minimum Distribution)**
- **Compare Investment Fees**

Try them today!



Dr. Jerry Fox, CFP®

MINIMIZING YOUR MAXIMUM REGRET

by Dr. Jerry Fox, CFP®, Director of Financial Planning

The stock market indexes have recently hit new record highs. Does that mean this the time to be more aggressive in choosing your retirement account investments?

retirement nest egg? If you are in your twenties with many years of earnings and savings ahead of you, you might choose to be more aggressive. But if you are in your mid-fifties or older, a more conservative approach to help preserve past gains probably makes more sense.

Accepting some additional risk in pursuit of higher long-term returns can be a good strategy, but only if you have sufficient time to recover from the inevitable dips in the economic cycle. Economic growth is never a straight

line. Expansions are followed by contractions. But just how steep and how long each trend will last keeps economists, financial advisors, and investors like us guessing.

Risk is absolutely fundamental to investing

But wait. At the same time the Federal Reserve governors keep delaying plans to lower interest rates because inflation isn't coming down as quickly as hoped. So, is this instead the time to be more conservative with your investments?

Here at Servant Solutions our members ask us these aggressive vs. conservative investing questions every time there is a new report about our economy. Some regret most missing the growth opportunities when the stock market is roaring. Others have their biggest regret when they see a decline in their account balance as markets fall. So, what should guide your investment strategy today?

Risk is absolutely fundamental to investing; no discussion of returns or performance is meaningful without consideration of the risks involved. In financial terms, risk really means uncertainty. If we want higher potential investment returns, we must accept higher uncertainty and the potential for lower returns and maybe even losses in our account balance.

Like most important life decisions, it depends. We should never make hasty decisions driven by either greed or fear. Nor should we envy others who may appear to be doing better than we are. The scriptures instead teach us to proceed with faith, research, and prayerful discernment about our own unique circumstances, resources, responsibilities, and goals. But where do you begin?

Time is the first critical factor to consider. How many years do you have to save, invest, and grow your

So, what would be your maximum regret? Missing out on growth opportunities by being too conservative? Or seeing your balance decline because you were too aggressive? Let us help you minimize those regrets with a balanced approach to your investment choices. Our menu of investment funds offers diverse options to fit every member's needs. Contact us anytime for a financial planning review.

THE IMPORTANCE OF SECURING YOUR ONLINE ACCESS

Why Online Access Matters

In today's digital world, cybersecurity is paramount. Even if you never intend to monitor your account online, **we urge you to establish your online credentials.** While we take every precaution to protect your account, setting up online access adds an extra layer of security. Undocumented accounts can be more vulnerable to hacking attempts.

Changes to Account Security

Our recordkeeper, Principal®, is implementing additional security measures for all accounts starting July 1st, 2024. These changes are designed to prevent unauthorized access, but they may make the initial online access setup process slightly more involved.

Important Customer Guarantee Update

Additionally, Principal® is updating their customer protection guarantee. Effective July 1st, if you haven't set up online access and your account is compromised, Principal's guarantee to restore stolen funds may not apply.

Taking Action is Easy

1. visit **servantsolutions.org**
2. Select the **Plan Information** page
3. Scroll down to **Account Access Information.** Keep these directions handy as you go to **personal account login** at the top of the servant solutions home page. This link will take you to the log in portal of Principal®.