

SERVANT SOLUTIONS NEWSLETTER MARCH 2025



Servant Solutions
YOUR RETIREMENT & FINANCIAL PLANNING PARTNER



TIGHTEN YOUR BELT NOW OR LATER? THE BENEFITS OF EARLY BUDGETING

DR. JERRY FOX, CFP®

DIRECTOR OF FINANCIAL PLANNING

Working in ministry is a calling, not just a career. But that calling often comes with financial realities that demand thoughtful planning. For many in ministry, there will inevitably be a season in life where tightening your belt is necessary. The question is: when would you rather make those sacrifices?

- Will it be when you're young, choosing to save instead of splurging on a big Disney vacation with your kids?
- Will it be in midlife, deciding to skip frequent dining out to put more into your retirement account?
- Or will it be when you're retired, with a fixed income and limited flexibility to adjust to unexpected expenses?

The good news is that you have a choice. By embracing budgeting and planning now, you can avoid the most difficult sacrifices later and create a more stable financial future—both for yourself and your loved ones.

The Importance of Budgeting Early

When you're young and just starting your family or ministry career, it can feel like the future is far away. There are so many competing priorities for your money, from providing for your kids to making memories on family vacations. But this season is also

continued on page 3



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Jim O'Bold

At Servant Solutions, we exist for one simple reason, and that is to lean into our mission of *Serving Those Who Serve*. For over 75 years, we've had the privilege of walking alongside ministry leaders, helping them build financial security so they can continue making a Kingdom impact—both now and in retirement. We understand financial stewardship isn't just about numbers. It's about equipping faithful servants like you to fulfill your God-given calling with confidence.

That's why I'm especially grateful to share about our new partnership with the Wesleyan Pension Fund. I'm humbled that their leadership has entrusted Servant Solutions to come alongside their team and board, supporting their administrative operations while they continue leading their pension fund with excellence. Since both of our organizations rely on Principal Financial Group for recordkeeping services, the transition has been smooth, and our role is simple: handle select administrative/budget responsibilities so their team can focus more fully on serving the Church.

To me, this is more than just an agreement. It's the result of years of faithful leadership and trusted relationships, both within Servant Solutions and with our friends at the Wesleyan Pension Fund. Seeing those relationships bear fruit in this season reminds me how God continues to work through those steady, consistent investments—whether it's in leadership, ministry, or wise financial planning.

A lot of credit goes to our Vice President & COO, **Nabil Safi**, who led the way in developing a solution that upholds both stability and transparency. Through his leadership, we were able to

A WORD FROM OUR PRESIDENT

A PARTNERSHIP ROOTED IN SERVICE: STRENGTHENING THE WESLEYAN PENSION FUND



At contract signing
(left to right):
Nabil Safi,
Jim O'Bold,
Jim Weinman
Craig Dunn
Cindy Linder

design a partnership that allows the Wesleyan team to focus fully on their mission, while we support the administrative side.

One exciting aspect is employees from the Wesleyan Pension Fund have officially joined our Servant Solutions team. While they'll continue serving from the Wesleyan Headquarters, they're now part of our extended family, continuing the work they've faithfully done for years in serving 1,000 Wesleyan ministry organizations/churches with over 4,500 participants.

This creative, values-driven partnership is a reminder to me that wise stewardship and collaboration can open new doors—not just for organizations, but for the people we serve.

If you have any questions about what this partnership means for Servant Solutions, or if you're considering how to strengthen your own financial future in ministry, I'd love for you to reach out. It's an honor to walk alongside you, as you all have had a part in the mission of ensuring those who have dedicated their lives to serving others have the support and security they need for the road ahead.

James M. O'Bold



Team member unable to be pictured: Rev. Dr. Chuck Myricks

TIGHTEN YOUR BELT

continued from page 1

the best time to build habits of saving and budgeting. Why start now? Compounding interest is your ally. Every dollar you save today can grow significantly over time. For example, putting away just \$50 a month into a retirement account starting in your 20s can grow into a six-figure balance by retirement, thanks to the power of long-term investment growth.

Starting early also means you can afford to save smaller amounts at a time. Waiting until later often requires much larger contributions to achieve the same results.

Making Sacrifices in Midlife

By the time you're in your 40s or 50s, life often becomes more financially complicated. You might be balancing kids' college expenses, mortgage payments, and other costs of a growing family. It's easy to let saving for retirement slip to the bottom of the priority list.

But midlife is also a critical time to ramp up your savings. Your earning potential is likely higher than it was in your 20s or 30s, giving you more capacity to set aside funds. Cutting back on nonessential expenses, like dining out or upgrading your gadgets, can free up resources to invest in your future.

Small adjustments can have big impacts. For instance, reallocating \$100 a month from discretionary spending to your retirement fund could mean tens of thousands of extra dollars when you retire.

The Challenges of Waiting Until Retirement

If you defer saving until retirement, you may find yourself facing the most challenging sacrifices. Living on a fixed income often means giving up things you once took for granted, like eating out, traveling, or even maintaining your home. Worse, unexpected medical expenses or inflation can strain your budget further.

Without adequate savings, you may also have to rely more heavily on others, which can be emotionally and financially taxing for both you and your loved ones.

Finding Balance: Living Well Now and Later

The key to avoiding these difficult choices is balance. Budgeting and planning are not about denying yourself a fulfilling life today. Instead, they're about allocating resources wisely so you can live well both now and in the future. Here are a few practical tips to help:

- 1. Create a Spending Plan:** Track your income and expenses to see where your money is going. Identify areas where you can cut back without sacrificing your overall quality of life.
- 2. Prioritize Savings:** Treat saving as a nonnegotiable expense, just like your rent or mortgage. Automate contributions to your retirement account so you're less tempted to spend the money elsewhere.
- 3. Seek Professional Guidance:** Working with a financial planner who understands the unique challenges of ministry can help you create a plan tailored to your needs.
- 4. Set Goals:** Having clear, achievable financial goals—like saving for a child's education or building an emergency fund—can help keep you motivated and focused.

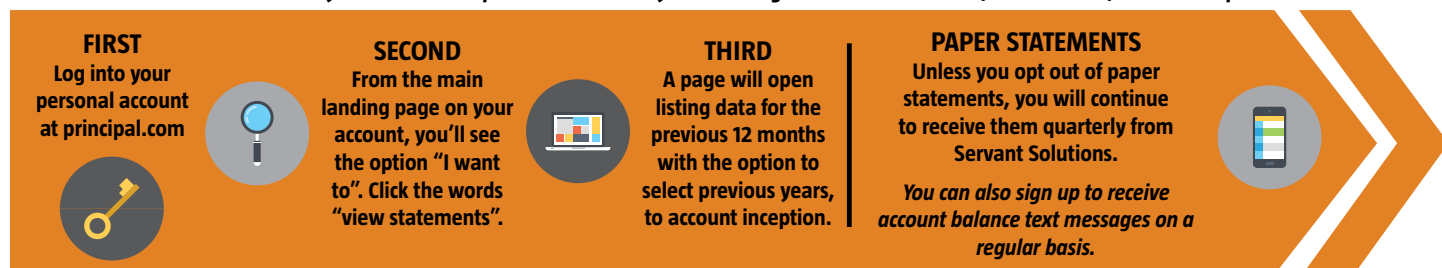
The Benefits of Planning Ahead

When you take the time to budget and plan, you're not just preparing for your financial future; you're also modeling wise stewardship for your family and congregation. You'll feel more confident making financial decisions and better equipped to handle life's uncertainties. Most importantly, you'll free yourself from the stress of living paycheck to paycheck, allowing you to focus on what truly matters: your faith, your family, and your ministry.



Dr. Jerry Fox, CFP®

You can access your retirement plan statement anytime through online statements (eStatements) from Principal®.





Nate Bowers
Director of
Financial Education

FINDING PEACE IN MARKET UNCERTAINTY

by Nate Bowers, Director of Financial Planning

In times of market uncertainty and volatility, it's natural to feel unsettled. However, as Christians, we are encouraged to trust in God's sovereignty and wisdom while practicing faithful stewardship. Proverbs 3:5-6 offers us reassurance: *"Trust in the Lord with all your heart and lean not on your own understanding; in all your ways submit to Him, and He will make your paths straight."* This verse reminds us to rely on God's wisdom and guidance, even when circumstances feel uncertain.

At Servant Solutions, we emphasize the value of maintaining a long-term investment strategy. Markets have historically demonstrated resilience, recovery, and growth over time, making patience and consistency key factors in successful investing. To support our members, we offer

a flexible investment lineup that caters to various risk preferences, styles, and retirement goals. Our LifeFunds are designed with these diverse needs in mind, providing options that align and adjust with your retirement age. For those who prefer to prioritize stability and minimize risk, our Principal Guaranteed Option offers secure, dependable growth.

While uncertainty can be challenging, staying committed to a long-term savings and investment strategy can help you maintain peace of mind and focus on your calling. Even small, consistent contributions today can grow into substantial resources, equipping you for God's future plans in your life and ministry.

At Servant Solutions, we are honored to serve those who serve and offer free financial planning services to our members. Take the next step today by visiting the **Financial Education** page on our website and clicking the **Financial Roadmap** button to get started.



LIFEFUND UPDATES FOR 2025

LifeFund adjustments occur annually on April 1st. This "glidepath" smoothly adjusts the mix of growth and fixed income assets as you progress toward retirement. The 2025 updates are shown in the chart below. If you have any questions, we're happy to assist—it's our privilege to serve you!

Investment Composition of the LifeFund Age-Based Portfolios
(as of April 1, 2025)

LifeFund Name (Birth Year)	Heritage (before 1945)	1945 1949	1950 1954	1955 1959	1960 1964	1965 1969	1970 1974	1975 1979	1980 1984	1985 1989	1990 1994	1995+
Time-Based Portfolio Allocations:												
Long-term	30%	34%	42%	47%	54%	64%	74%	84%	89%	92%	96%	98%
Intermediate-term	45%	43%	40%	40%	40%	36%	26%	16%	11%	8%	4%	2%
Short-term	25%	23%	18%	13%	6%	0%	0%	0%	0%	0%	0%	0%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Fund Allocations:												
Long-term	Fidelity 500 Index Fund	10.5%	11.9%	14.7%	16.45%	18.90%	22.40%	25.90%	29.40%	31.15%	32.20%	34.30%
	Fidelity Total Intl Index	7.8%	8.84%	10.92%	12.22%	14.04%	16.64%	19.24%	21.84%	23.14%	23.92%	25.48%
	Fidelity Emerging Mkts Index	2.4%	2.72%	3.36%	3.76%	4.32%	5.12%	5.92%	6.72%	7.12%	7.36%	7.84%
	Fidelity Large Cap Value Index	4.5%	5.1%	6.3%	7.05%	8.10%	9.60%	11.1%	12.60%	13.35%	13.80%	14.70%
	Fidelity Extended Market Index	2.1%	2.38%	2.94%	3.29%	3.78%	4.48%	5.18%	5.88%	6.23%	6.44%	6.86%
	Fidelity Large Cap Growth Index	2.7%	3.06%	3.78%	4.23%	4.86%	5.76%	6.66%	7.56%	8.01%	8.28%	8.82%
Intermediate-term	Fidelity US Bond Index	15.3%	14.62%	13.6%	13.6%	13.6%	12.24%	8.84%	5.44%	3.74%	2.72%	1.36%
	Vanguard High-Yield Corporate Adm	1.8%	1.72%	1.6%	1.6%	1.6%	1.44%	1.04%	0.64%	0.44%	0.32%	0.08%
	Fidelity Intermediate Treasury Bd Index	7.2%	6.88%	6.4%	6.4%	6.4%	5.76%	4.16%	2.56%	1.76%	1.28%	0.32%
	Fidelity Short-Term Treasury Bd Index	1.8%	1.72%	1.6%	1.60%	1.60%	1.44%	1.04%	0.64%	0.44%	0.32%	0.08%
	Vanguard Inter-Term Investment-Grde	9.45%	9.03%	8.4%	8.4%	8.4%	7.56%	5.46%	3.36%	2.31%	1.68%	0.42%
	Vanguard Mortgage-Backed Secs Idx Adm	7.2%	6.88%	6.4%	6.4%	6.4%	5.76%	4.16%	2.56%	1.76%	1.28%	0.32%
	Vanguard Shrt-Term Inft-Prot Sec Idx Adm	2.25%	2.15%	2.0%	2.0%	2.0%	1.80%	1.30%	0.8%	0.55%	0.40%	0.10%
Short-term	Fidelity Short-Term Bond Index	25%	23%	18%	13%	6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The Servant Solutions custom age-based funds are each composed of mutual funds. Age-based funds for younger participants have greater stock market risk, while age-based funds for older participants have less exposure to stocks and a higher allocation to bonds and cash. Over time, each age-based fund reduces risk by following a glidepath, allocating more to bonds and cash and less to stocks. Age-based funds are automatically rebalanced at least quarterly. Rebalancing may occur more frequently if performance of individual funds or asset classes results in significant deviation from the age-based fund's target allocations.