

January 2025

# Through the WIRE

LOCAL 26 IBEW-NECA JOINT TRUST FUNDS

## YOUR INDIVIDUAL ACCOUNT PLAN

growing your assets

## Secure Your Financial Health in 2025

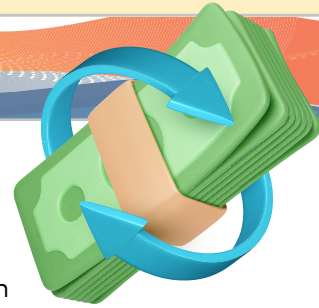
Your Local 26 Benefit Plans can help you achieve your financial resolutions to build a solid nest egg and create the kind of retirement you deserve.

Whether you want to take an active role or a hands-off approach, the Funds Office is here to guide you and support you. Check out our [EWTF portal](#) for a wealth of information and resources on our funds but if you don't find what you're looking for, just reach out to our EWTF office at **301-731-1050**.

➔ **SCAN this QR code to access all of the valuable links mentioned in this issue of *Through the Wire*.**



## You Might Want to Roll With It



**D**id you know that if you have a retirement plan, such as a 401(k) plan from a previous employer or an IRA plan, you can roll that plan into our [Local 26 Individual Account Plan \(IAP\)](#)? Of course, the decision to do that is entirely up to you, the plan holder, but consolidating your retirement plans has a few benefits.

Rolling any extra retirement plans you may have into our IAP will help you stay organized in not only managing all of your retirement savings plans but also knowing what you have accumulated overall for retirement. Additionally, rolling your savings into one plan will make it easier for your beneficiaries in the event of your passing.

As a reminder, our IAP is professionally managed by Fidelity Investments so plan participants have access to a wealth of information and guidance from industry experts. Plan participants are able to make investment decisions with their IAP if they wish to take an active role in managing their savings, or they can leave their savings invested in more turnkey target date funds, created with a participant's retirement date in mind.



If you have other retirement plans you wish to roll into the IAP, contact the Benefits Office at **301-731-1050** and ask for Retirement Services.

## CIT FUND TO PROVIDE COST SAVINGS

**T**he IAP trustees take their job of stewarding the Plan very seriously, understanding their responsibility to ensure the Plan provides the benefits for which our members have worked so hard. This is why adjustments to our plans are always being considered so that our plans may grow and perform to the best of their ability.

A few years ago, the trustees to the Individual Account Plan, with input from the Plan's investment consultant, reevaluated the investment vehicles in our IAP. Based on a careful evaluation of cost versus return, the trustees decided to replace one of the mutual funds in the Plan—Fidelity Contrafund K Shares—with a similar investment vehicle—the Fidelity Contrafund Commingled Pool—that bears lower operating expenses.

For more information on the IAP's switch to the Fidelity Contrafund Commingled Pool, visit the EWTF's website at [ewtf.org](http://ewtf.org), click on the "resources" tab and scroll down to "IAP Mutual Fund vs CIT Comparison Chart."



Learn more at <https://www.ewtf.org/through-the-wire/your-individual-account-plan/CIT-fund-to-provide-cost-savings>

# You Have a Choice

**Our Plan participants have a choice to be involved in investment decisions or leave it up to the professionals.**

**O**ur IAP affords plan participants a choice in how their contributions are invested. Participants can allow their money to grow in default index funds known as target date funds or can grow their money in other investment vehicles of their choosing if they prefer to take a more active role in how their IAP contributions are invested.

Deciding whether to take a more active role in investing your IAP contributions is a personal decision based on your tolerance for risk and your knowledge of the investment markets. If being more involved in investment decisions interests you, know that as a Plan participant you have access to investment professionals through Fidelity to help answer questions and guide investment decisions.

If leaving your IAP savings up to the investment decisions of professionals is more your style, the default target date funds carefully curated by Fidelity, our IAP investment consultant, might be right for you. Target date funds are created with a general retirement date in mind, meaning they adjust their investments to bear more risk or less risk depending on how long your money has to grow before you will need it for retirement. In our IAP, the target date funds are called Fidelity Freedom Funds and they are designed to mirror the overall investment markets and take the

guesswork out of investing based on the year in which you plan to access your investment for retirement. For example, a 2060 Freedom Fund is designed for those who wish to retire around 2060. Currently there are 2030, 2040, 2050, 2060 and 2070 Freedom Funds. The further out the fund date is, the more risk that fund bears because of the length of time it has to grow before it is needed for retirement income. Conversely, a 2030 fund, for example, would be extremely conservative since that fund no longer has the time to weather financial risks as it will soon be needed for retirement income.

When it comes to the IAP, the bottom line is that our Plan participants have a choice to be involved in investment decisions or leave it up to the professionals. There is no right or wrong choice, just the choice that's right for you!

For questions, visit a Fidelity location or contact Fidelity at **866-84-UNION (6466)** Monday through Friday 8 a.m. to midnight EST to speak to a live representative. The NetBenefits website, [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), is also an excellent resource for information.




# Know How to Make Your Money Grow



Do you have big plans for retirement? Travel across the globe? Buy a boat? Financially help your children or grandchildren? If your retirement goals are going to require a lot of money or you simply want to build the biggest nest egg you can, there are ways to supplement your retirement savings outside of our IAP and Pension Plans.

Participating in an IRA—a traditional IRA or a Roth IRA depending on your income level—can maximize your ability to save for retirement while reaping tax benefits. And, like the IAP, both IRA options afford you the opportunity to actively manage your savings if you want. Contribution limits and other parameters change yearly so unless you are well versed in tax laws, it would be a smart idea to consult a financial advisor and/or tax professional, such as an accountant, to learn how you can maximize your retirement savings, benefit from tax exemptions, and avoid penalties or tax burdens.

Here are some questions to consider asking a financial advisor and/or tax professional:

-  What is the maximum employer contribution I can receive in my Individual Account Plan?
-  What is the maximum I can contribute on my own to an IRA plan?
-  What is a catch-up IRA contribution and at what age can I start making a large contribution to an IRA plan?
-  Should I be pursuing a traditional IRA or a Roth IRA?
-  What are the differences between a traditional IRA and a Roth IRA?
-  How would the tax regulations of an IRA plan affect my beneficiaries in the event of my passing?
-  Is there an age at which it does not make sense to open an IRA or Roth IRA or can they be opened at any age?
-  Can I open an IRA or Roth IRA for my spouse?
-  What kind of investments can be made in an IRA or Roth IRA?
-  Will I have control over those investments and how often can I change the investments in an IRA or Roth IRA?

**Participating in an IRA can maximize your ability to save for retirement while reaping tax benefits.**

**YOUR INDIVIDUAL  
ACCOUNT PLAN**

*growing your assets*

# Keep Current on Your Beneficiaries

**You must designate, and regularly review, beneficiary information for each of our plans.**

The new year is a great time to make sure your financial house is in order and ensuring that your beneficiary information is up to date is an important first step! Ensure that your financial wishes will be carried out in the event of your passing. Life events such as marriage, divorce, births, and deaths, can change who you wish to be your beneficiary(ies). Review your beneficiary information now, and frequently, and ensure that information is always current. **By law, the Fund Office can only distribute benefits to those individuals listed as your beneficiary(ies) at the time of your passing!**

As a reminder, you must designate, and regularly review, beneficiary information for each of our plans—the Health Plan, the Pension Plan and the IAP. Your current beneficiary information can be found by logging in to the EWTF portal. Changes can also be made online through the portal.



**KIDS' CORNER**

**CAN YOU MAKE THIS SWEET PICTOGRAM PUZZLE ADD UP?**

$$\text{Peach} + \text{Peach} + \text{Peach} = 30$$

$$\text{Peach} + \text{Apple} + \text{Apple} = 18$$

$$\text{Apple} - \text{Cherry} = 2$$

$$\text{Apple} + \text{Peach} + \text{Cherry} = ?$$