

Changes for 2024-2025

Spirit AeroSystems open enrollment continues through May 17

By Matt Kempf, CFP®, CEBS

SPEEA Senior Director of Compensation and Retirement

WICHITA, Kan. – At Spirit AeroSystems, open enrollment runs May 6-17. This is the **only time of the year** to make routine changes to your health care plan unless you have a qualified status change during the year.

Take action

Default coverage for employees with dependents will be their current 2023/2024 medical, dental and vision plans, however, Flexible Spending Accounts (FSA) must be re-elected each year. Health Savings Accounts (HSA) must also be re-elected each year in order to receive Spirit HSA funding.

Spirit is changing administrators. Accordingly, your life insurance beneficiary elections on file will not carry forward to 2024/2025. You must enter beneficiary information to ensure your benefits are received according to your wishes.

You can enroll in life insurance (if you aren't currently enrolled) or increase your coverage, up to the Guaranteed Issue amount, without providing Evidence of Insurability (EOI), for this annual enrollment only. Don't miss out on this valuable opportunity to enroll in or increase your life insurance

	Green	Green CPC	Blue	BLUE CPC	Orange	Orange CPC
WTPU & WEU Contractual Employee Contribution Percent	22.0%	17.0%	20.0%	15.0%	20.0%	15.0%

coverage without having to prove you are healthy.

The Green plan deductible identified in the SPEEA contracts no longer qualifies as an HSA-Qualified High Deductible Health Plan.

In this situation, the SPEEA contracts permit Spirit to increase the deductibles to maintain the qualifications established by the IRS. As a result, in-network deductibles for the Green Plans will increase to \$1,600 (single) and \$3,200 (family).

HSAbank.com will now administer the Full and Limited Purpose Healthcare and Dependent Day Care Flexible Spending Accounts in addition to the Health Savings Account (HSA).

How to enroll

Choose one option:

- Online at www.myspiritbenefits.com
- By phone - 1-877-459-3345
- By app – using the “Spirit Benefits On The Go” app from the Google Play or Apple store.

Rate increase

Because of some extremely high-cost claimants, Spirit used the management rights provisions of the Wichita Technical and Professional Unit (WTPU) and Wichita Engineering Unit (WEU) contracts and provided more favorable terms than what the contracts specify for the last plan year (2023-2024).

Unfortunately, Spirit decided not to subsidize the employee rates more than the percentages identified in the SPEEA contracts this year. Because of this, Spirit employees will notice a larger premium increase than in prior years.

For actual rates and additional information, go to www.myspiritbenefits.com.

Virtual SPEEA seminar

SPEEA offers an open enrollment webinar recording at www.speea.org (drop-down menu: Medical & Retirement/Medical).

SPEEA Prof and Tech contracts expire 2026

The time to start saving is NOW – Part 2

By Matt Kempf, CFP®, CEBS

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In the April 2024 SPEEA Spotlight, we talked about a possible “first step” in creating an emergency fund by contributing 8% to the Boeing After-Tax 401(k).

The decision to seek a strike authorization vote of the membership is made by SPEEA's negotiations teams and is not taken lightly. It is extremely premature to discuss a strike on the merits of any contract offer, but it is never too early to prepare.

While the primary purpose of the Boeing 401(k) is to save for retirement, the After-Tax 401(k) has an “in-service” withdrawal option. In the event of a financial emergency, your After-Tax contributions can be withdrawn to meet imminent financial obligations.

The gains created by the contributions must roll out at the same time but can be rolled over to a tax-deferred IRA. If started in April 2024, individuals can make enough contributions in the After-Tax 401(k) to sustain themselves for 75 days in the event of a strike in October 2026.

Step 2: If eligible, directly contribute as much to a Roth IRA as possible

After putting 8% into the after-tax 401(k), the

IRS income limits for Roth IRA

	Single Tax Filers	Married Filing Jointly
Full contributions	Under \$146k	Under \$230k
Reduced Contributions	More \$146k but less than \$161k	More \$230k but less than \$240k

next step is to contribute directly to a Roth IRA if you are eligible. Unfortunately, not everyone is eligible to make a direct Roth IRA contribution.

The IRS income limits based on Modified Adjusted Gross Income for 2024 are in the table.

IRS income limits for Roth IRA

The IRS limit for 2024 is \$7,000 per person, with an extra \$1,000 catchup contribution if over age 50.

Roth IRAs are powerful savings tools. Qualified Distributions (contributions and gains) are completely free from income tax.

There are multiple conditions that must be met for a distribution to be a Qualified Distribution. You can check IRS Publication 590-B for the conditions under which a distribution would be considered a Qualified Distribution.

The IRS allows individuals to withdraw their direct contributions **at any age, at any time**

without tax or penalty. If an eligible individual were to contribute to the Roth IRA maximum for 2024, 2025 and 2026, they would have at least \$21,000 in Roth IRA contributions that can be withdrawn at any time for any purpose.

While it is always best to leave the funds in your Roth IRA to create more income-tax-free gains, your direct Roth IRA contributions would be available to you in the unlikely event SPEEA were to go on an extended strike lasting more than 75 days.

The time to start saving is NOW

SPEEA represents more than 10,000 Boeing employees with base salaries under \$146k, potentially making them eligible to make a direct Roth IRA contribution.

SPEEA does not have a strike fund. In the event a strike is called, you will need to support yourself with your own emergency funds.