

## Brethren Pension Plan Overview

For more than 60 years, the Brethren Pension Plan has helped church employees build a solid retirement income. Today, the Plan serves more than 4,000 members.

The Plan, under the requirements of Section 403(b) of the Internal Revenue Code, operates exclusively for the benefit of its members. Investment oversight for this defined contribution plan (see *Benefit News*, First Quarter 2006) is the responsibility of the Brethren Benefit Trust Board of Directors and its Investment Committee, which is composed entirely of investment professionals.

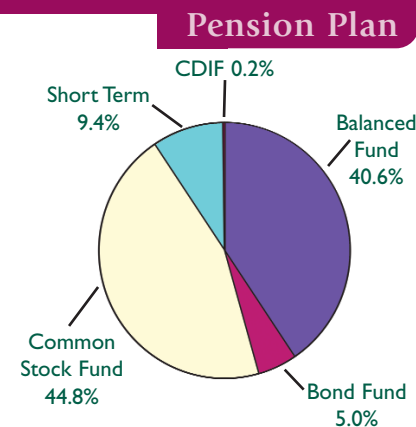
Assets in the Plan fall into two main categories – active and inactive accounts (members who have not yet annuitized), and retirement annuities. Members who have not annuitized are responsible for allocating their funds among the investment choices in the Plan. Accounts that have been annuitized are transferred into the Retirement Benefits Fund where the Investment Committee controls their allocation.

In contrast to many corporate pension plans, the Brethren Pension Plan is fully funded, meaning the market value of Plan assets covers the present value of projected liabilities. The Board reviews an actu-

arial comparison of assets and liabilities every year as it works to ensure that the Plan remains fully funded.

Active accounts in the Plan are invested in a combination of the following five funds –

- ♦ **Common Stock Fund** – A broad portfolio of U.S. and international equities.
- ♦ **Bond Fund** – Fixed-income investments in U.S. corporations, agencies, and U.S. Treasury securities.
- ♦ **Balanced Fund** – Blends the Domestic Stock Fund with the Bond Fund.
- ♦ **Short Term Fund** – Uses fixed-income investments maturing within about two years.
- ♦ **Community Development Investment Fund** – A mission-oriented fund investing in local communities.



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### Staff News

## BBT helps launch wellness position



Mary Lou Garrison



Will Thomas

Two staff announcements were made in April and May that will impact both BBT's Insurance and Brethren Foundation ministries.

**Mary Lou Garrison** will assume responsibilities as part-time director of Wellness Ministries effective Aug. 1. Her new role, a collaborative position supported by Brethren Benefit Trust and the Church of the Brethren General Board, is staffed through the Association of Brethren Caregivers.

Garrison's focus on wellness will encourage members of the Church of the Brethren to make healthier choices for their minds, bodies, and spirits. She will work with congregations, districts, and agencies throughout the denomination to advance the goals of the Wellness Ministry. Because healthier members make a health insurance plan stronger, BBT is supporting this position through the Brethren Medical Plan.

Garrison earned a bachelor's degree in psychology from Manchester College and a master's degree in Family Ecology from Western Michigan University. She has completed course work and training in Mediating Interpersonal Conflict and Employment Law. She also earned a lifetime certification as Senior Professional in Human Resources. Garrison's interest in healthy food and cooking led her to

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#### Address corrections and editorial suggestions:

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## Assessing your personal finances

Planning is an exercise used to help ensure that hoped-for outcomes become reality. Thus, people who have financial goals for later in life need to engage in financial planning early.

People can get an idea of how well they are prepared for the future by answering the following questions —

1. Are you confident you are paying the lowest amount of income tax allowed?
2. Are you sure you have the right amount and type of insurance?
3. Do you have a plan and funding for your children's or grandchildren's college?
4. Is the issue of elder care for you or your parents important?
5. If you own a business, do you have a management succession plan and a buy/sell agreement?
6. Have you considered a gift program involving your family-owned business, especially in light of recent changes in the estate freeze rules?
7. Do you have a will?
8. Has your will been reviewed in the past five years?
9. Have you considered a living trust to avoid probate fees and ensure your family's privacy?
10. Are you sure your estate plan is up-to-date and takes into account all of your

personal wishes and all potential tax-saving strategies?

11. Have you executed a living will or health care proxy in the event of catastrophic illness or disability?
12. Are you comfortable with the executor and trustee you have selected?

If you answered “no” to questions that are applicable to you, you may want to seek counsel from a lawyer, accountant, insurance agent, and/or financial planner.

This quiz and more information can be found at [www.myCPAs.biz](http://www.myCPAs.biz).

## Credit Union

### Credit Union adopts tiered rates for savings, personal loans

#### New savings rates

Last fall, the Church of the Brethren Credit Union increased its savings dividend rates. At the same time, it created different savings rate levels to encourage and reward saving; the more a member saves, the higher their savings rate will be.

The Credit Union encourages everyone to be a regular saver. Even a small amount adds up over time with the benefit of compounding interest. Most importantly, having a savings account for emergencies or unexpected expenses will reduce the likelihood of needing to put those expenses on high interest rate credit cards. Take advantage of payroll direct deposit or Electronic Funds Transfer (EFT) options to conveniently deposit funds into a savings account.

Whether saving to build up an emergency fund, or for the next large purchase, being a regular saver makes good financial sense.

#### New tiered personal loan rates

In order to help members avoid excessive levels of consumer debt, the Credit Union encourages them to pay as much as they can afford towards their consumer debts, thereby paying the loans off in less time. To encourage this practice, the Credit Union recently established different loan rates for personal loans based on the length of time over which the loan is scheduled to be paid back.

Essentially, the faster a member pays back a personal loan, the lower their interest rate will be. Not only do members benefit from lower interest rates, but they also reduce the total amount of interest they pay by paying the loan off faster. For example, a \$5,000 personal loan paid back over the maximum term of four years will cost \$1,440 in interest charges over the length of the loan. If that same loan were paid back over two years, the interest rate would be two percent less and cost only \$590 in interest charges. That is a savings of \$850 that the member can choose to add to their savings account or use to pay off other debts.

#### SAVINGS RATES

		APR	APY
Tier 1	\$25 - \$1,999	1.30%	1.31%
Tier 2	\$2,000 - \$4,999	1.40%	1.41%
Tier 3	\$5,000 - \$9,999	1.50%	1.51%
Tier 4	\$10,000+	1.60%	1.61%

#### PERSONAL LOAN RATES

1 year	9.99%
2 year	10.99%
3 year	11.99%
4 year	12.99%

#### IRA insurance level increase

Earlier this year, the National Credit Union Administration (NCUA) and the Federal Deposit Insurance Corporation (FDIC) increased their insurance coverage on retirement accounts. Previously, retirement account balances held at credit unions and banks were treated the same as all other depository accounts — such as checking and savings — and insured up to \$100,000. Recently, however, NCUA increased its insurance level to \$250,000 for both Traditional and Roth IRA accounts held at credit unions. This change ensures members' retirement accounts are protected from loss up to \$250,000 by the full faith and credit of the U.S. government. — Dennis Kingery

## When Certainties Fail

This is a sermon I need to preach. I need to preach it precisely because my life has been turned upside down and my heart broken. My faith has been impacted in ways that I'm not yet sure I can describe. I'm tempted to say that my faith has been shaken, but at the same time it has also been stretched and, I suspect, it has been deepened.

In preparing this sermon, I have been exploring my own heart and soul, wondering how to put into words something of the struggle, grief, and pain that have followed that moment when time seemed to stand still for me, that moment when I received word that Janice had been killed in an automobile accident. The challenge is how to capture that experience in words that, at their best, always remain inadequate expressions of our deepest yearnings and our most intimate thoughts and feelings.

In the aftermath of Janice's death someone assured me – several times – that “God has a plan.” God, indeed, does have a plan for all creation; it's a plan that centers on movement toward new healing, new life, new possibilities, new creation. As the apostle Paul affirms, there is “a plan for the fullness of time, to gather up all things in [Christ], things in heaven and things on earth” (Ephesians 1:10). But if that person was suggesting that God is in the business of engineering accidents and illnesses and wars and all manner of human brokenness and pain, I would suggest that he knows precious little of the heart of God.

William Sloane Coffin, former pastor of Riverside Church in New York City, in 1983 faced the painful death of his son Alex, killed in a storm-related auto accident. In a subsequent sermon, Coffin asserted, “God doesn't go around this world with his fingers on triggers, his fists around knives, his hands on steering wheels. My own consolation lies in knowing that it was not the will of God that Alex die; that when the waves closed over the sinking car, God's heart was the first of all our hearts to break.”

There are those who, in times of crisis, want to have easy answers. But the truth of the

gospel would suggest that faith dare never be reduced simply to a series of pious platitudes or to a prescribed list of beliefs. Much more, faith centers upon the radical decision to place our trust in God, to live in the confidence that God is at work for our good, even when it feels as if all of life is crashing upon us. This is a conviction I need to remind myself of with some frequency these days, a conviction I believe you need to hear as well.

In his book *Ruthless Trust*, Brennan Manning reminds us that the way of trust moves us into undefined, uncharted, territory. He writes, “The reality of naked trust is the life of a pilgrim who leaves what is nailed down, obvious, and secure, and walks into the unknown without any rational explanation to justify the deci-



*Joel Kline is pastor of Highland Ave. Church of the Brethren, Elgin, Ill. His wife Janice was killed Feb. 20 in a car accident. This text is excerpted from his first sermon following her death.*

sion or guarantee the future. Why? Because God has signaled the movement and offered it God's presence and promise.”

In the earliest days and weeks, I found myself unable to pray in any formal kind of way – though I am certain God received my sighs and my cries as prayer. But when I could not give voice to prayer, I found myself dependent upon the prayers of this community of faith far more deeply than I had ever consciously experienced in the past. In a markedly new way, I discovered the reality of Luke who describes the early church as being “of one heart and soul” (Acts 4:32).

There is much from those early days following the news of Janice's death that remains little more than a blur or a fog. But what I do remember is the sense, even in the midst of a grief more overwhelming than I ever would have thought it possible to

endure, that I was nevertheless held in arms of love – held in the loving arms of a God who created us and yearns for us to experience healing grace and wholeness, held in the loving arms of this congregation, and held in the prayerful care of persons in this local community and beyond. I experienced being of one heart and soul in a new and deeper way, because so many of you understood that what I most needed were not pious platitudes, but persons who embodied the love and grace of God, persons who could stand with me in my grief and whose presence could remind me that not even the intensity of that grief could separate me from the wondrous gift of God's love in Jesus Christ.

Today, many would far prefer a nailed-down kind of faith, a set of beliefs they can easily define and even control. But the frequently uncomfortable truth of faith that has come to me afresh in recent weeks is that faith has little to do with you and me being in control. Truth is, faith involves giving up control. Faith is a matter of trusting, even when all appearances are to the contrary, that ours is a compassionate, loving, grace-filled God who holds us in arms of care. While there is much in life that happens over which you and I have little control, we can nevertheless choose how we will respond to that which makes little sense to us. We can choose to hold fast to the power of love; indeed, that is the only certainty in life that will not fail.

Perhaps I can learn to allow my own woundedness, my own grief, my own struggles and doubts, to serve as a reminder that the only way to have a good death is to live a good life, a life centered in the ways of peace and compassion, the ways of justice and self-giving love. Perhaps my own brokenness might guide others toward a deeper recognition of their own need, and might help others embrace the incredible truth at the heart of the gospel – that you and I, created in the image of a loving God, are held in that God's gracious arms, and nothing in life or even in death can separate us from the gift of that love. — Joel D. Kline

## BBT Events at Annual Conference 2006

Brethren Benefit Trust and Mutual Aid Association are joining together once again with a booth display and with redesigned BBT/MAA tote bags, which conferencegoers can pick up at the booth for free. Visit the BBT portion of the BBT/MAA exhibit area and —

- Open a new Credit Union account or a Christmas Club account and receive a free gift.
- Visit with Randy Yoder and Donna March of the Brethren Insurance Plan staff about the Blue Cross/Blue Shield network being offered through the Brethren Medical Plan or any of the other Insurance services.
- Talk with Brethren Pension Plan staff to project how much income your Pension Plan account would yield in retirement.
- Meet with Will Thomas of the Brethren Foundation to discuss gifting opportunities for individuals and asset management for congregations and agencies.
- Have your blood pressure screened, quiz yourself on your physical and financial health, and sign up for the Fitness Challenge as part of the new “Passport to Wellness” campaign sponsored by BBT, ABC, and the General Board.
- Check your e-mail.



### Activities at Conference

BBT will also present or participate in a number of Annual Conference activities —

- **Fitness Challenge**  
Join nearly 150 other Brethren for this annual 5K run/walk on Monday, July 3, at 7 a.m.
- **Passport to Wellness**  
Join with other Conference attendees in activities that will encourage you to make healthy choices for your mind, body, and spirit. In addition to the five activities BBT will be sponsoring, 15 other activities will be available. Free t-shirts will be given to those who complete at least 12 activities.
- **BBT's Business Report**  
This annual report to Annual Conference delegates is scheduled for Monday, July 3, at 2:45 p.m.
- **Memorial Tribute**  
This year's time to honor church workers and/or Brethren spouses of Pension Plan members who passed away during the preceding year is scheduled for Monday, July 3, at 4:10 p.m.
- **Credit Union dinner**  
Join members and conferecegoers at the second annual Church of the Brethren Credit Union dinner. Rich Brandhorst, financial planner and pastor, will serve as guest speaker. This event will be held Saturday, July 1, at 5 p.m.

### Insight Sessions

BBT will be presenting seven insight sessions and co-presenting one insight session —

- **Why an HSA may be right for you** – Sunday, July 2; 12:30 p.m. Presenter: Randy Yoder
- **Caterpillar Town Hall discussion** – Sunday, July 2; 9 p.m. Presenter: Nevin Dulabaum
- **How endowments can help your congregation without undermining financial stewardship** – Monday, July 3; 12:30 p.m. Presenter: Will Thomas
- **Stressed in ministry? — Two resources to help and support pastoral staff** – Monday, July 3, 12:30 p.m. Presenters: Mary Lou Garrison and staff from Clergy Consultation Service
- **Credit cards, credit ratings, and you** – Monday, July 3; 9 p.m. Presenter: Dennis Kingery
- **It's never too early to start your retirement planning** – Tuesday, July 4; 12:30 p.m. Presenter: Will Thomas
- **What do we do when a gift comes in?** – Tuesday, July 4; 9 p.m. Presenter: Will Thomas
- **Socially responsible consuming** – Tuesday, July 4; 9 p.m. Presenter: Dennis Kingery



Eric Thompson



Nevin Dulabaum



Eric Thompson



Nevin Dulabaum



Nevin Dulabaum

## Insurance Plans

### Open Enrollment Timeline

An annual open enrollment period is available for the Brethren Medical Plan (BMP), Dental Plan, Vision Plan, Flexible Spending Accounts, and Health Savings Accounts. Coverage for these plans will take effect Jan. 1, 2007, and is available to eligible employees of congregations, districts, camps and agencies. The schedule is listed below —



- ♦ **August 2006** – A post card will be mailed to congregations and districts that do not currently have staff enrolled in the BMP as a reminder to request a quote for this Plan.
- ♦ **Late September** – For current participants, BMP rate illustrations and enrollment

materials will be mailed to the contact person of the congregation, district, camp, or agency. Those who requested a BMP 2007 quote will also receive enrollment materials. If you did not request a BMP quote, you will not receive a packet. *For those who are not currently participating in the BMP, it is important to request a quote in August.*

- ♦ **Oct. 1-31** – Open enrollment period.
- ♦ **Nov. 1** – All paperwork to be completed and returned to BBT.

*Note: The life and long-term disability plans do not offer an annual open enrollment. Employees of congregations or districts who work 20 or more hours per week and who are not currently enrolled in these plans may contact Brethren Benefit Trust Insurance staff at 1-800-746-1505 for special enrollment information. If you work for an agency and have questions regarding your insurance plans, please consult with your human resource director.*

### BBT transfers billing to MMA

Effective Aug. 1, 2006, Mennonite Mutual Aid will take over billing and receipting functions for Brethren Benefit Trust's life insurance, long term disability insurance, dental insurance, vision insurance, and flexible spending accounts.

Employers and pastors in the Insurance Plans have received information regarding the transition. This change is an effort to maintain or help reduce BBT's administrative costs while leaving important functions such as customer service, oversight of eligibility and enrollments, arranging for insurance contracts, and conducting annual open enrollments under the responsibility of BBT staff.

For further information about the change, contact the BBT insurance department at **1-800-746-1505**.

## Pension Plan

### "Brethren Pension Plan..." Continued from Page 1

To strengthen the Plan's long-term ability to meet its obligation to members, the Board in 2005 created a contingency fund as a resource that could supplement annuity payments should fund assets ever become insufficient. Although the Plan currently is fully funded, this contingency fund will add another layer of protection. Funding comes from a reallocation of management fees charged by the Plan and earnings from reserves.

In 2004, the Board reaffirmed its longstanding practice of annuitizing pension accounts at an eight percent annual rate, which determines how large retirees' monthly payments are. A higher rate means a higher monthly payment. At the same time, the Board decided that contributions made after June 30, 2004, would be annuitized at a rate that the Board would set each year – currently six percent. Although the Board controls both rates, its intent is to continue using the eight percent rate for contributions before June 30, 2004, and to adjust the second rate as conditions change.

Eligible retirees who return to work may make additional pension contributions. Retirees under 60 must wait at least six months before starting to make pension contributions for their new positions. A retiree over 60 can return to work at any time and begin making contributions again. — W.T.

## Staff News

### "Thomas resigns..." Continued from Page 1

complete courses in Culinary and Hospitality Management from Elgin Community College and earn a Food Sanitation Certification from the State of Illinois in 2005.

Garrison has helped plan the "Passport to Wellness" activities that will encourage Annual Conference attendees to make healthy choices for their mind, body, and spirit. She will also be involved in insight sessions that focus on wellness, which will be held during the conference.

**Will Thomas** has resigned from the Brethren Benefit Trust staff after serving nearly seven years with the agency in a number of roles. Will's resignation takes effect July 31.

Will leaves BBT to return to higher education: He has accepted a faculty position in accounting at Southwest Minnesota State University, Marshall, Minn., in August.

Will's current assignments have been many. He has served as editor of *Benefit News*. As director of customer service operations for the Brethren Foundation, Will has spearheaded BBT's customer service interactions with current and prospective asset management and deferred gift clients. In this role, Will has written the monthly *Investment Perspective* newsletter, which is sent to all of the Foundation's asset management clients.

As BBT's representative to the Interfaith Center for Corporate Responsibility, Will has been involved with many BBT and ecumenical SRI initiatives. For the past five years, he has served on the ICCR governing board, which has included serving for one year as chair. He currently serves as vice-chair.

## CDIF Stories

Since the Community Development Investment Fund was created as an investment choice for Pension Plan members and Brethren Foundation clients more than three years ago, BBT's investments in the fund have been used to help economic development in low-income urban communities where there is difficulty in finding such capital.

Church of the Brethren investments in the fund have financed approximately —

- ♦ 70 affordable homes, either built or rehabilitated;
- ♦ 140 microloans, creating 250 jobs, or 20 small business loans, creating 112 jobs; and
- ♦ 25 community facilities.



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*Inside: How (financially) healthy are you?*

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