

“Think Pink” to improve your financial wellness

Help yourself while helping others in need.

That was the message the Church of the Brethren Credit Union conveyed at this summer’s Church of the Brethren Annual Conference as it challenged conferencegoers to “Think Pink.”

Pink often is a color used to signify good inner health for all people. “Think Pink” encourages Brethren members, employees of related organizations, and their families to think about their financial health.

The promotion of financial health through education and fiscal stewardship is one of the major missions of the Church of the Brethren Credit Union. The Credit Union, with more than 65 years of experience as a member-owned not-for-profit agency established for Brethren members and employees and their families, strives to promote financial wellness in a number of ways.

Through *Credit Check*, the Credit Union’s newsletter, and as part of the Brethren Benefit Trust video report to Annual Conference delegates, it was announced this summer that Brethren members, employees of related organizations, and their families who open a credit union account through Annual Conference 2006 will receive a

pink piggy bank for themselves, with a \$5 donation being made to Heifer International to purchase pigs for people in need.

The BBT video concluded with a close-up picture of one of the piggy banks leaving the BBT booth with a fictional conferencegoer who had just joined the Credit Union. Although this was a cute finale to the video, it must not undermine the fact that the need for financial health is a serious issue.

Nationally, the average household has credit card debt of \$8,000. Many Americans, including Brethren, have “plastic” debt in the tens of thousands of dollars. The Credit Union offers financial counseling to members who need help. Dennis Kingery, director of Credit Union operations, analyzes all loan applications to see if high-interest credit card debt can be consolidated and refinanced at a much lower rate, to

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Brethren Medical Plan

BMP open enrollment moved from November to October

Another change is coming to the Brethren Medical Plan — this one pertains to the timing of the 2006 open enrollment period.

Open enrollment for the Brethren Medical Plan traditionally has been held for the entire month of November, with enrollment forms and information sent to congregations and denominational agencies in late October. However, two other changes previously announced for the Plan in 2006 are making that timing unworkable.

The first change is the Plan’s move nationwide to use only Blue Cross/Blue Shield affiliates, which means all Plan members will now have access to one of the regional Blue Cross/Blue Shield Preferred Provider Organizations (PPOs). The conduit allowing Plan members this nationwide access is Highmark Blue Shield, the largest health insurance company in Pennsylvania. As part of the agreement, Highmark will now also process all Brethren Medical Plan claims, which is the second change scheduled for 2006.

On Aug. 16, BBT was informed that Highmark needs all enrollment data by Nov. 15. This requirement means that BBT must move open enrollment to the month of October. Plan information and forms will be mailed to each congregation and denominational agency in late September.

For more information, contact Brethren Insurance Plans staff at **800-746-1505** or go to www.brethrenbenefittrust.org and click on “Insurance Services.” — N.D.

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AC delegates resoundingly adopt BMP resolution

With only a handful of “no” and “abstain” votes, Annual Conference delegates in July approved a resolution pertaining to the Brethren Medical Plan. The resolution asked for a one-year study committee to be elected to “assess the continuing need for and feasibility of a denominational medical insurance plan for employees of congregations, districts, and church-related agencies.”

With the same vote, delegates also approved the following — “Be it further resolved that the 2005 Annual Conference delegates call on every eligible congregation, district, and church-related agency to participate in the Brethren Medical Plan from 2006 through at least the conclusion of the study. The delegates also call on district and Brethren Benefit Trust staff and other stakeholders in the Plan to work together to promote the Plan to all eligible employers, including colleges, retirement home communities, and other agencies that relate to districts.”

Following the vote, which was held Monday morning, July 4, in the Peoria (Ill.) Convention Center, the Annual Conference Nominating Committee began accepting nominations for people who could serve on the four-person study committee. The following day delegates elected James C. Gibbel, Brian Markle, Willie Heisey Pierson, and Donna Shumate to the committee.

Before the discussion and approval of the resolution by delegates, BBT staff met with the Council of District Executives and with the Annual Conference Standing Committee on Friday, July 1. Following worship on Saturday night, more than 100 people attended a Brethren Medical Plan listening session. And on Sunday, BBT conducted a for-pastors-only insight session, which had been requested by the Ministers’ Association.

Why a resolution?

With 83 million Americans having poor or no medical insurance, and with medical costs continuing to increase at a rate that far exceeds inflation, paying for healthcare in the United States is a challenge. Within the Brethren Medical Plan, all agencies and a handful of districts have participation levels that should allow the Plan to have an

appropriate spread of risk. Other districts have far less participation. Statistics suggest these districts present the Plan with greater risk. Since open enrollment is allowed each year, healthy members can opt out of the Plan for presumably cheaper coverage or less benefits, and then return to the Plan if their need becomes greater or they become uninsurable under plans that don’t offer open enrollment.

BBT could have imposed a decision to keep the Plan healthy, by eliminating districts from the Plan if they could not increase participation to a specified minimum level. But staff and Board members believed an Annual Conference study would best serve the denomination. Since BBT administers the Plan, a BBT study would not have been received as unbiased. As an Annual Conference agency, however, it was appropriate for BBT to ask Annual Conference delegates to adopt a resolution and appoint a study committee.

BBT hopes that the committee will be far-reaching in scope and perspective, and will ultimately deliver a report to Annual Conference delegates that will be widely accepted and respected.

“We hope that this process will help unify, not divide, congregations and agencies, in terms of providing health insurance coverage to pastors, church staff, and denominational employees,” said Wil Nolen, BBT president. “These are tough issues during tough times and we need to find a solution that preserves the best interests and seeks the ownership of all stakeholders.” — N.D.



Annual Conference delegates line up to discuss the BBT resolution calling for a study committee on the denominational insurance plan. Delegates strongly supported the resolution.

Photos by Nevin Durburn

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give the applicant some financial breathing room. Credit Union and BBT staff produce *Credit Check* to convey news and financial tips. They also have contributed, as in this issue, financial wellness articles to *Benefit News*.

During the Credit Union’s 2005 annual meeting, held at Annual Conference, about 65 attendees also heard a presentation on “Ten Personal Finance Tips for Brethren” by Eric Kabler, a financial counselor and BBT Board member. Dennis also presented an insight ses-

sion titled “Smart Steps for Dealing with Debt.”

The Church of the Brethren Credit Union is committed to “thinking pink” for good financial health. Brethren members, employees of affiliated organizations, and their families who are not Credit Union members, but who should be thinking pink themselves, should consider joining the Credit Union. Not only will they help themselves by receiving regular financial tips, through the Heifer Project donation they will also help a family in need. — N.D.

Are you a positive or a negative saver?

Since 1959, Americans have saved, on average, around seven percent of their annual income, according to the Bureau of Economic Analysis. Since the early 1990s, however, the personal savings rate has been in a steady decline. By 2001, it had declined to a meager 1.6 percent. The aggregate savings percentage of all Americans in June was actually zero, and it could be negative in the future.

Are you a positive or negative saver? Here's how to determine how much you save — or don't!

Start with your total personal income (wages, dividends, interest, etc.) and subtract any taxes (income and payroll) that are deducted. This is your disposable income — the amount of your income you choose how to spend or save. Subtract from disposable income all of your expenses (consumer purchases, payments on mortgages and consumer debt, insurance, utilities, rent, etc.). What is left over is your personal savings.

Most people who create “positive savings” do so by paying down their mortgage's principal balance; setting money aside for retirement, a future purchase, or a child's college education; adding money to investments; adding money to a traditional savings account; or simply having

money left in their checking account at the end of each month.

“Negative savings” occurs when people spend more money than they make. Data from the Federal Reserve shows that consumer debt has grown twice as fast as personal income over the past five years, underscoring the fact that more Americans are becoming negative savers.

“Negative savings” is not sustainable. It may fuel our economy in the short-term, but may cause bigger problems in the long term. Be a “positive saver.” Even a small regular savings deposit will add up over time. Define what you are saving for and set goals. Use conveniences such as payroll direct deposit or electronic fund transfers (EFTs) to automatically set money aside in a savings account. Protect yourself from large unexpected expenditures with a savings account. Having this fund will reduce the likelihood of needing to put an unexpected expense on a credit card!

As Brethren we embrace simple living and have a history of resistance to being “of the world.” In today's American consumerist society, living out our Brethren values may be the best financial advice money cannot buy. To learn of many other good reasons to save, contact the Church of the Brethren Credit Union. — Dennis Kingery

Charitable gifts can assist donors, too

Gifts of securities can support a charity's mission and give the donor valuable tax benefits. Donating securities that have appreciated in value — rather than selling them — allows the donor to avoid the capital gains tax bill and give a correspondingly greater amount to charity.

The question then becomes how an individual can most easily contribute stocks and bonds to a congregation, since many congregations do not maintain a brokerage account that would make these gifts simple to execute.

One method is to make the gift through Brethren Foundation (BFI).

BFI's accounts can accept most gifts of securities with a minimum of effort.

The process is simple. The donor completes BFI's standard gift application form, detailing the nature and purpose of the gift. The donor then transfers securities to BFI. Upon receipt, BFI sells the securities and forwards the proceeds to the charity as requested. The Foundation will provide a receipt for income tax purposes.

The actual transfer can take two forms, depending on how the securities are held. If they are held as paper certificates, the donor will need to submit

an “Irrevocable Stock/Bond Power.” This form must be medallion guaranteed by a bank and should be mailed in a separate envelope from the certificate. It is available by mail or from the BFI website, www.bbtfoundation.org, under “Forms.”

If shares are held electronically, the donor's broker can transfer them directly to BFI; BFI will provide the instructions for this transfer.

Supporting charitable organizations, minimizing taxes, and keeping it simple makes good sense for donors and agencies alike. — W.T.

Brethren Foundation

SRI event held in Philly

On June 6, more than 40 representatives of faith-based investment groups gathered in Philadelphia for “Socially Responsible Investing and Fiduciary Responsibility” to hear how their socially responsible investments actually engage corporations and affect behavior. Brethren Benefit Trust, Mennonite Mutual Aid, the General Board of Pension and Health Benefits of the United Methodist Church, and the Evangelical Lutheran Church in America's Corporate Social Responsibility Office co-hosted the event to help investors and board members understand the overlap between social and fiduciary responsibility. The hosts are all members of the Protestant Caucus, which is part of the Interfaith Center on Corporate Responsibility.

Ken Sylvester, assistant comptroller for Pension Policy for the New York City Comptroller's Office, gave the keynote address on how one institutional investor connects its social and fiduciary responsibilities. Meg Voorhees and Sister Patricia Wolf then analyzed shareholders' impact on corporate policies during the 2005 annual meeting season. In the final session, a panel that included Carolyn Green, the Sunoco vice president for Health, Environment, Safety, and Regulatory Affairs, discussed how the company benefited from shareholder input into their business practices. — W.T.

Photos by Nevin Duldbaum



Richard Pogue, BBT Board chair, and Wil Nolen, president, show off their color-coordinated ties at the conclusion of BBT's report to Annual Conference delegates in July. "Think Pink," the new focus of the Church of the Brethren Credit Union, was a highlight of their presentation.

Jeff Garber, director of Brethren Insurance Plans, explains changes coming to the Brethren Medical Plan in 2006, during a listening session held at Annual Conference. More than 100 conferencegoers attended the session to learn more about the changes and about BBT's resolution calling for a study committee (see page 2).



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Inside: Are you a positive or a negative saver?

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