Keeping you informed with BBT Alert

Brethren Benefit Trust has created a system of online email “alerts” to keep you apprised of any and all pertinent information related to employee benefits and tax issues. This system was initiated after questions were raised regarding the Affordable Care Act, but BBT Alert will be used to provide information on any matter related to pensions and insurance, particularly compliance issues.

After a group of pastors approached BBT President Nevin Dulabaum at a district conference, he wrote, “It was clear I was being asked to relay information we receive in order to help pastors and church employees navigate through the myriad changes that are coming as a result of the ACA.”

For instance, one of the questions presently before churches is whether money used to purchase medical insurance can be counted as pre-tax dollars.

After June 30, 2015, money used to purchase individual medical insurance for an employee must be reported as taxable income. This is true whether the insurance is purchased by the church for the employee or given to the employee so that he/she can make the purchase. Violation of this could result in sizeable fines.

If the medical insurance is part of a group plan or if the church has only one employee, the money used to purchase it may be considered as pre-tax income and thus will not be taxed.

BBT has been concerned that the interpretation of the ACA by the regulatory authorities was causing confusion, so alerts have been sent to clarify these matters.

“Our commitment,” writes Dulabaum, “is to make sure we relay information to you. We are not attorneys, nor CPAs. While we can talk and counsel within the framework of the benefits we provide, we cannot give advice. Our role is not to give answers, but rather to enable you to ask the right questions of your own legal and accounting advisers.”

BBT will no longer send hardcopy alerts to congregations because they are costly and slow. If you want to receive BBT alerts via email, you can sign up for them by writing to Jean Bednar, director of Communications, at jbednar@cobbt.org or call 847-622-3362.

Brethren medical insurance — is it feasible?

Since 2007, when BBT was directed by Annual Conference to discontinue the Brethren Medical Plan for staff of churches, districts, and camps, we have looked for another opportunity to insure these folks. With the recent changes in Affordable Care Act compliance rules, it makes sense at this time to consider offering a medical plan again. In order to make an informed decision, BBT is conducting a feasibility survey, and there’s still time for you to participate.

If you are a pastor, director, or other part-time or full-time Brethren employee, please fill out our survey. It takes less than five minutes, and you will play a valuable role in this key decision.

Please go to www.cobbt.org and follow the prompts to take the survey. Should we offer a new Brethren medical insurance plan?
I was approached by three pastors who wanted me to hear their concerns.

The topic was national healthcare legislation, and the focus was a recent IRS decision that could impact whether their medical insurance premiums can be paid pre-tax.

“You and your staff at BBT know these issues better than many of us.”

“You are experts in this field.”

“We need you to be our advocates.”

Ok, I’m sure that I’m paraphrasing the conversation.

But the message was clear.

It’s interesting to hear from the people we serve that they want us to advocate for them. We think that’s our mission, too! In addition to providing Brethren Pension Plan, insurances for active employees and retirees, asset management services for congregations and Brethren-related organizations, and deferred gift services to individuals, we are charged with serving the members and employees of the Church of the Brethren in conveying news, information, and resources to help them be better stewards of their financial resources.

To that end, this newsletter publishes stories that apply to everyone — the columns of “Your Money” and “Heart, Soul, and Mind” are about people, not BBT programs. We also provide numerous workshops and insight sessions at work sites, congregations, and events to pass along information that can help bring understanding to a money management issue. We provide these sessions upon request.

In addition to these long-standing methods of serving members and employees of the Church of the Brethren, we recently have or soon will launch three initiatives that could provide additional assistance to those we serve.

Following the encounter with the three pastors, I returned to the office and directed our team to create an email news alert network to notify people when changes to the law or practices that could impact them have been made. With our contacts through the Church Benefits Association and legal team that lobbies on Capitol Hill, we often learn of benefits-related news in advance. Through BBT Alert, we now have an email distribution network that quickly distributes news about changing rules and regulations to pastors and other church officials. Write to jbednar@cobbt.org to add your name to the email distribution list.

In January, BBT created its new Client Relations department to work at building stronger relationships, useful products, and helpful resources. We are excited about the many ways this new department will positively impact the lives of those we serve.

In February and March, we developed and released a survey seeking data to determine whether we should launch a new medical insurance plan for pastors and church and district employees. The 2007 Annual Conference shut down the old plan, and asked BBT to seek alternatives for providing medical insurance to the ministers’ group. We believe that changes brought on by the Affordable Care Act have put BBT in the position to offer a new medical insurance plan for the group, without some of the onerous provisions of the previous plan. Our survey was intended to help us see if this is a path that we should take. If BBT determines there is viability and interest, a new group plan would offer tax savings on medical insurance premiums for all participants, as well as portability of moving from job to job within the Church of the Brethren ministry field without losing insurance coverage.

Finally, by July 1, BBT expects to launch 10 new investment options for Brethren Pension Plan members, five of which are particularly exciting to us because they will be designed for people who need help when deciding how to invest. Called “Target Date Funds,” these new investment options will allow plan members to select a fund that is close to their anticipated retirement date. The five target date funds will be 2015, 2025, 2035, 2045, and 2055. The further one is from retirement, the more the portfolio will focus on growth. Then as one gets closer to retirement, the fund shifts automatically to a protective stance, as a means to ensure value is not lost. We expect these funds to be a popular choice for our members who want to be proactive investors but don’t know how.

BBT’s primary focus is to serve members and employees of the Church of the Brethren in meaningful ways. That is why we are always listening and looking for new initiatives that address your concerns. We are your advocates. We are here to serve. — N.D.
The “black dog” and faith

Have you ever been depressed? The answer for most of us, maybe for all of us, is “of course.” But what does it mean when you are depressed? It can refer to a mild episode of temporary sadness or it can refer to a deep, dark place where you lose your appetite, energy, enthusiasm, self-esteem, and interest in things you once enjoyed. It may cause you to suffer from sleeplessness and poor concentration, feel hopeless, worthless, or inappropriately guilty. It can be a state of despair so deep that you want to end your life.

Statistics from the National Institute of Mental Health indicate that 6.9 percent of people in the United States suffer from deep clinical depression. Though most of us are not among that 6.9 percent, it’s likely that we know someone who is. Whether we have experienced a mild depression or a deeper debilitating misery, or know someone who has, we have a pretty good idea what it’s like and how hard it is to deal with.

Scientists and medical professionals know a lot about depression. There is excellent research into brain chemistry, a deepening understanding of genetics, a growing body of psychiatric and psychological understandings, a veritable cornucopia of psychotropic medications, and increasingly helpful psychotherapies. But there is so much we don’t know. For instance, why is depression so unrelenting? Some depressions make sense. Terrible things happen and we feel sad and low. But there is a persistent and incapacitating element to depression that sometimes defies understanding. It raises the question, is depression a complex physical and psychological condition that we will eventually be able to cure, as we have with polio? Or is it also a spiritual condition, rooted in our very humanness, needing a spiritual as well as a medical response?

Researchers at McLean Hospital, a psychiatric institution affiliated with Harvard Medical School, studied 159 patients with prominent symptoms of depression, asking how strongly they believed in a god. “Those whose belief in a god was stronger, regardless of the god or religious affiliation (including non-affiliation), were twice as likely to respond well to the treatment, and experienced better outcomes, such as lessening of depression, reductions in self-harm, and increases in psychological well-being.”

The Reverend Christopher L. Smith on his blog, “This Emotional Life,” offers “10 Steps to Connect with Your Spirituality While Depressed.” The following is based on his list.

- Find hope from your spiritual sources — scripture, stories from your tradition, uplifting books and films, meditation, and prayer.
- Remember God is there for you, even if you cannot feel God’s presence. Speak to God in your own way with your own honest, even blunt words.
- Don’t give up hope if the response isn’t what you expected. This is hard. When you are depressed, you only want good news.
- Remind yourself that your life has meaning. Consider that God has a purpose for you.
- Connect with others. You need people. Resist the temptation to isolate.
- Don’t focus on things you should have done. Remember that you are freed and forgiven.
- Seek quality care. Find a good therapist. Go to a doctor. Don’t be afraid to use medication.
- Integrate this care with your spiritual practice. Find counselors and therapists who understand the connections between the physical, psychological, and spiritual aspects.
- Believe that things can change. One of depression’s deepest and most persistent symptoms is the lack of this belief.

This list is not a blueprint or a cure-all, only suggestions for strengthening the spirit when facing depression. Despite such efforts, despite medications and therapies, for some people depression can be chronic and recurring. And that leads to a larger spiritual question. Can anything good come from something so terrible?

Winston Churchill suffered bouts of depression, which he called his “black dog.” There has been speculation that this helped him during World War II. Psychiatrist Anthony Storr has written, “Only a man who knew what it was to discern a gleam of hope in a hopeless situation, whose courage was beyond reason and whose aggressive spirit burned at its fiercest when he was hemmed in and surrounded by enemies, could have given emotional reality to the words of defiance which rallied and sustained us in the menacing summer of 1940.”

Is it possible that even something as painful and troubling as persistent depression can sometimes lead to something good? Perhaps so. Tenacity, compassion, deeper understanding — maybe these too are part of the mystery of depression and its connection to faith. — J.L.
Target Date Funds will make smart investing easier for Pension Plan members

You want your Pension funds to be invested wisely in a way that balances risk and safety. You also recognize that investments offering a larger return have greater risk, which makes sense when you are young, while investments with less risk are beneficial as you approach retirement. But you don’t have the time to scrutinize and manage your retirement savings. That’s where Target Date Funds give you an advantage — they will do this work for you. And the good news for Pension Plan members — Brethren Benefit Trust will offer Target Date Funds for active participants later this year.

Here is a more specific picture of how target date funds work — if you plan to retire in 2035, you would choose a Target Retirement 2035 Fund. This Target Date Fund will offer a long-term investment strategy based on holding a mix of stock, bonds, and other investments that automatically changes your asset allocation as you age. A TDF’s initial asset allocation, when the target date is many years away, will be heavily weighted toward stocks or equities, which can produce higher returns, but may carry greater risk. As the target date of retirement approaches, the fund’s asset allocation shifts to include more conservative investments like bonds and cash instruments. These are relatively less volatile and carry less risk. This shift in asset allocation over time is called the TDF’s glide path.

BBT will be offering five funds, with target dates of 2015, 2025, 2035, 2045, and 2055. Each fund will use BBT’s existing stable of investment managers. On an annual basis, the asset allocations will be changed in accordance with the glide path. The funds will be rebalanced quarterly, which means they are adjusted to keep them aligned with the asset allocations.

When you reach retirement, the money in your Target Date Fund can be annuitized, or it can be left in the Fund. If you plan to leave it in the Fund, there is also the option of choosing a target date beyond your retirement date so that the fund reaches its most conservative point much later.

Here is what a typical asset mix might look like now for the 2055 Target Date Fund — 65 percent equities, 18 percent bonds, and 17 percent alternatives. Forty years from now, as the fund approaches its target date, the mix will have become much more conservative, shifting to 15 percent equities, 72 percent bonds, and 13 percent alternatives.

TDFs will give you a well-diversified portfolio over many years using a one-fund approach. This is an appealing option if you don’t have the time or inclination to make the investment decisions yourself. But TDFs can be beneficial for another reason: By delegating the rebalancing to a professional investment manager, you may be able to avoid emotional decisions. You will have a disciplined long-term strategy, and you’ll be able to stick to the plan during turbulence in the markets. It is important to remember that TDFs are not guaranteed and will fluctuate with the market.

BBT’s plan is to launch these five Target Date Funds on July 1, 2015. Look for announcements and for instructions on how to proceed using the Pension Plan Web Portal on the BBT website.

— J.L.

Thompson Fund makes grants

The Joel K. Thompson Memorial Endowment Fund, administered by Brethren Foundation, is helping to underwrite the planned visit of Dr. Alexander Gee Jr. to the National Older Adult Conference. Dr. Gee is the founder and president of The Nehemiah Urban Leadership Institute in Madison, Wis. He will speak on “In Search of Racial Righteousness” on Sept. 9, 2015.

A second one-time grant has been made to the On Earth Peace Internship program whose purpose is to “offer skill-development and personal growth for emerging peace-builders.” The grant will enable a young person to serve in an organization working for peace and justice.

The Thompson Fund was established in 1994 in memory of Joel K. Thompson by his widow, Janine Katonah, and his children. Thompson was serving on the BBT staff when he died in the crash of USAir Flight 427 at Aliquippa, Pa., on Sept. 8, 1994. The fund supports ministries in healthcare, stewardship, peace, reconciliation, social justice, and service — work to which Thompson was committed in his life and his ministry.
BBT Staff Changes in January and February

BBT President Nevin Dulabaum recently stated, “Serving the members and organizations of the Church of the Brethren is the directive Brethren Benefit Trust has been given by Annual Conference. At the forefront of that service is strong relationships with the denomination’s members and organizations. Thus, the creation of a new department that focuses on service, product development, and resources for the benefit of those we serve will help ensure that BBT fulfills its mandate for years to come. This is an exciting new chapter in the life of BBT.”

Nevin has moved forward in this strategic direction, and there are four significant developments that will take place with this organizational change, the first of which is the addition of a new department — Client Relations.

Scott Douglas was named the director of Client Relations. Scott has served BBT well since Jan. 1, 2009, as the director of Pension Plan and Employee Financial Services and more recently Director of Employee Benefits. He has been instrumental in facilitating the transition of the Pension Plan to a more user-friendly mode for its members. Scott has also been key in many other benefits aspects, including keeping members alert to new legislation, working with updates to the guidelines for the Church Workers’ Assistance Plan, and assuming responsibility for BBT’s insurance services. He has also made regular in-person visits with employee benefits clients, adding new clients and maintaining current client relations.

With the direction that BBT is headed, based on its Board-approved Strategic Plan, it is important to have a staff position that solely focuses on building client relationships — current and potential. Scott is a great fit for this position — he has a love of the Church of the Brethren, enjoys being with the church members and clients on their turf, and understands and can provide learning opportunities for the programs that BBT offers.

Loyce Swartz Borgmann, who has served as manager of client relations as part of the Communications department, has been promoted to assistant director of the new Client Relations department. Loyce has been part of the BBT team since Jan. 2, 2001, in several capacities, including interim eMountain Communications marketer/sales representative, marketing coordinator, customer representative for Brethren Foundation, and coordinator of Client Relations. Loyce has worked at strengthening and building relationships with current and potential members and has been instrumental in bringing in new business and providing logistical leadership for BBT’s Annual Conference presence. Loyce’s love of the denomination and her accomplishments will lend themselves in her promotion to assistant director of Client Relations.

Lynnae Rodeffer joined the BBT staff in February 2015 as director of Employee Benefits. Lynnae will balance her time working at the Elgin office and at her home office in Snohomish, Wash., where she resides. She is a seasoned manager with over 30 years in the financial services industry. She spent 17 years at Washington Mutual in Seattle where she held the position of first vice president, senior group product manager, and led a number of special projects and initiatives for the company related to mergers and acquisitions, community performance, customer service, and automation.

Lynnae served as the interim director of Church of the Brethren Credit Union from 2010 to 2011. She has been a long-time member of the Church of the Brethren, and over the last several years, has conducted workshops at denominational events on behalf of BBT. Lynnae is also very active in her community, serving as president of the Washington State Dairy Women, youth advisor for the Washington Jersey Cattle Club, and has been a Sunday school teacher for 15 years.

In February, BBT said goodbye to Julie Kingrey, who tendered her resignation as assistant director of Financial Operations. Julie came to us in August 2014, relocating from Farmville, N.C., when her husband was given a job transfer. Unfortunately for BBT, her husband’s work has now caused them to return to North Carolina. Despite the resignation of our valuable staff member, we wish God’s blessings on Julie and her family as they begin this next chapter in their lives.
Have you taken the Insurance Feasibility Survey?

There’s no need to panic! Only the name is changing!

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What do you need to do? NOTHING!

In This Issue

• Insurance Services
  Keeping you informed on ACA and other benefits-related issues

• Your Money
  Target Date Funds do the work for you

• Heart, Soul, and Mind
  The many faces of depression

• President’s Message
  We want you to know that we’re listening

• What’s new with BBT?
  A new department and staff changes

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