Great Numbers + Good News = Optimistic 2010

Church of the Brethren Benefit Trust’s 2009 year-end investment totals were calculated early this year, and the news proved to be fantastic. 2010 certainly has started on a positive note for those served by BBT.

Investments show strong results

BBT’s investments had a fantastic year in 2009. Our goal is to meet or beat appropriate industry benchmarks, which is not always easy. Because we invest in quality, lower-risk companies, our equity and bond investments tend to do better against benchmarks in down markets — as markets go down and investors flee to high-quality investments, the higher-quality investments BBT holds are in more demand, experience less value reduction, and thus outperform other investments. Conversely, as markets rise and investors flee to higher-risk options, the flight from quality downgrades the worth of BBT’s quality investments, which means they tend to underperform against the benchmarks.

To mitigate these trends, BBT actively manages its investment options through the hiring of eight investment managers. In 2009, those managers proved that they know how to select investments!

In Brethren Pension Plan, each of the four investment options that has an industry benchmark significantly beat that index. The Common Stock Fund posted a 29.3 percent return, compared with the

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CoBCU offers $50 to Haiti for loans

Inspired by Brethren Disaster Ministries’ commitment to earthquake recovery in Haiti, Church of the Brethren Credit Union will donate $50 to that ministry for every loan of $5,000 or more processed between March 1 and April 30. CoBCU will donate these funds to help Brethren Disaster Ministries provide food, shelter, household and medical supplies, and more to victims of the Jan. 12 earthquake in Haiti.

“Brethren support is coming from all parts of the U.S. in this time of crisis — and the Credit Union is a great example of our ministries and members working together to accomplish a common goal,” said Roy Winter, director of Brethren Disaster Ministries. Through Brethren Disaster Ministries’ relief efforts, $50 can buy six weeks of hot lunches for a child, a water filtration system that can serve up to four families, or almost half of a month’s salary for a teacher in Haiti.

“We hope to provide our members with an opportunity to make a great impact on a child or

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Financial planners — helping you plan for your financial future

Cash or credit card. Save or spend. Stocks or bonds. Own or rent.

Nearly every day involves some kind of financial decision-making. From the mundane to the complex, many of these choices require the assistance of an expert — someone who has the time, experience, and knowledge to offer a plan of action for your financial future.

Financial planners do just that. They examine a client’s situation from a variety of angles and create a strategy designed to help the client achieve certain goals.

Do you need a financial planner?
The answer is usually “yes,” and long before you actually get around to meeting with one.

“The reality is, financial planning is event-oriented,” said Deb Romary, owner and president of Romary Financial Services Inc. in Fort Wayne, Ind. Deb is a Certified Financial Planner professional who also serves on Brethren Benefit Trust’s Board of Directors.

Often, people seek the assistance of a financial planner with a change in life situation, like the death of a spouse or inheritance of money.

“The best time to find a financial planner, though, is not in the midst of a transition,” said Deb.

Instead, consider your financial future on a normal day. How do you spend your money? What are your short- and long-term goals? What is your savings and investment strategy? Do you have a savings and investment strategy?

Because tax season is upon us and you may already be considering your annual income and expenditures, this might be a good time to meet with a planner.

Finding the right financial planner
Entering a relationship with a stranger that revolves around something as personal as finances can be as awkward as dating. How do you find the right person to start this professional relationship with?

“The best way is by asking your trusted friends — it’s that simple,” said Deb.

If none of your friends can offer guidance, ask your church treasurer or the financial department of your workplace for guidance.

Additionally, the Certified Financial Planner Board of Standards Inc.’s Web site, www.cfp.net, maintains a list of certified planners that is searchable by ZIP code.

Meeting with your financial planner
Making a good match is important to both the planner and the client, and most financial planners will offer a complimentary consultation.

One is generally advised to meet with three different planners before settling on one.

When you sit down with each financial planner, Deb insisted, “Talk about your goals. What are we trying to do? What do you currently have? Give the financial planner things to think about.”

Financial planners often represent one of two styles of earning income — either they are fee-based, meaning the planner charges an annual percentage of the client’s assets or a flat fee, or they represent one or several companies and earn commissions from selling that company’s products. Make sure you understand and agree with the implications of either approach. Even if your planner represents a special interest, like an insurance or investment product, your overall needs should also be examined.

Above all else, when talking with your financial planner, Deb suggested you consider the following question: “Does this person care about me beyond my money?” — B.S.

“Help for Haiti” … Continued from page 1
family in Haiti,” said Lynnae Rodeffer, Credit Union director of special projects. “We are eager to serve the needs of our members while serving the needs of the global community.”

As of March 2, Brethren Disaster Ministries has received almost $450,000 in earthquake relief donations and disbursed $300,000. $125,000 alone has been designated to provide daily hot meals for students at two schools in Port-au-Prince, a Temporary Shelter Program that will provide living spaces for 20 families, and the chance for 25 Haitians living in the Dominican Republic to take food to their families back home.

“We need much more to accomplish what we are called to do,” observes Roy. “Rebuilding and recovery in Haiti is an enormous task, and it’s going to take all of us. I’m excited that the Credit Union is joining us in our efforts.”

For more information, contact CoBCU staff at 888-832-1383 or cobcu@brethren.org, join CoBCU’s Facebook Fan Page, or visit www.cobcu.org. — B.S.
On Jan. 4, Diana Seymour began serving BBT Insurance Services as manager of sales for health and welfare benefits. Diana's 24 years of experience in the health insurance industry, including time as a service representative for BlueCross BlueShield of Florida and an account manager with The Plexus Groupe, will serve her as she works to grow the Brethren Medical Plan. Diana is licensed to sell life and health insurance in Illinois and 14 other states. Diana lives in Bartlett, Ill., with her husband and sings in the choir at Baker Memorial United Methodist Church in nearby St. Charles.

BBT welcomed John Carroll on Jan. 25 to serve as manager of Pension operations, returning Brethren Pension Plan to a staffing level used as recently as three years ago. John joined the Pension Plan staff after spending over 14 years in the field of benefits, most recently serving Publicis Groupe as its manager of benefit communications and compliance. John has served as a benefits consultant and the senior analyst for retirement plans with the Tribune Company in Chicago. He and his family reside in Arlington Heights, Ill., and attend Our Lady of the Wayside church.

Lynnae Rodeffer was called to bring her 25 years of management experience in the financial services industry to help grow Church of the Brethren Credit Union. Beginning Jan. 25, Lynnae is serving as interim Credit Union director of special projects, a position she will hold until Dec. 31. Lynnae spent 17 years at Washington Mutual, where she held a variety of roles including national sales support manager and first vice president, senior group project manager. Lynnae will work primarily from her home office in Snohomish, Wash., where she lives with her daughter Shannon.
**Wells Fargo Advisors stops contacting congregations**

Wells Fargo Advisors has signaled an end to its improper contact with Church of the Brethren congregations and Brethren Pension Plan members. In a letter dated Jan. 6, Jackie Ellis, client resolution analyst for Wells Fargo Advisors law department, apologized for the advertising practices of the Advisors and indicated that they would stop contacting Brethren congregations and Pension Plan members.

In her letter, Jackie wrote, “I would like to take this opportunity to reiterate that our firm and the Advisors deeply regret any distress that may have inadvertently occurred as a result of the letters being delivered.

“While our firm believes that the marketing efforts were consistent with our internal policies and in compliance with industry regulations ... no further marketing efforts will be directed to the Church at this time.”

In early November, two staff members of Wells Fargo Advisors based in New Jersey began attacking the Brethren Pension Plan in written correspondence to congregations and Plan members, stating that the Advisors could offer them a solution to their long-term needs. After receiving letters of concern from pastors in three districts notifying BBT of the Advisors’ actions, BBT sent a letter to the Advisors asking them to cease their campaign and to apologize to those people whom they contacted. After a series of letters between the organizations, Wells Fargo Advisors finally agreed to stop contacting Brethren congregations and Plan members.

“We greatly appreciate the decision made by Wells Fargo Advisors to discontinue its campaign against Brethren Pension Plan,” said Nevin Dulabaum, Brethren Benefit Trust president. “Wells Fargo Advisors will no longer invoke fear in our members to market their products — a tactic that is contrary to their own Vision and Values guidelines.”

To view the letter in its entirety, visit [www.brethrenbenefittrust.org](http://www.brethrenbenefittrust.org) and click on Pension. — B.S.

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**Meeting with members**... Continued from page 1

benchmark’s 26.5 percent return, and the Bond Fund earned 11.7 percent, a whopping 7.2 percent better than the benchmark’s total of 4.5 percent.

Earnings with Brethren Foundation were similar. Of the eight investment funds that have benchmarks, six greatly outperformed their benchmarks. Most impressive were the Small Cap Fund, earning 35.2 percent (benchmark 27.2 percent) and the Bond Fund, which gained 13 percent (benchmark 4.5 percent).

Having two underperformers in BBT’s portfolio — the Domestic Stock Core Fund, which earned 24.9 percent against a benchmark of 26.5 percent, and the International Stock Core Fund, which earned 28.9 percent compared with 32.5 percent for the benchmark — prompts us to more closely monitor the managers of these funds; in fact, one investment manager has been put on notice due to its poor track record.

Impressively, BBT’s fees are approximately half of those at other retirement plans or asset management firms that use mutual funds as their investment vehicle. While mutual funds can cost 1 to 1.25 percent of total assets in management fees, our Pension Plan charged only 0.62 basis points in 2009 (0.62 of 1 percent), and Brethren Foundation clients were charged an aggregate fee of 59 basis points.

**Retirement Benefits Fund on track**

On Jan. 1, 2009, the Retirement Benefits Fund, from which Pension Plan annuities are paid, was 68 percent funded with a $44 million shortfall, against liabilities of $139 million. With market increases in 2009 and the reduction of benefits through lowering the annuity assumption rate for all annuitants, the numbers as of Jan. 1, 2010, indicate improvement. Data received from BBT’s actuaries in early March show that we had assets of $107 million with liabilities of $138 million, which means the RBF is 78 percent funded with a $31 million shortfall. This latest report is good news and shows that the fund is on the right track to returning to fully funded status.

2009 was an extremely difficult year for many of BBT’s members and clients, but we have taken steps that we believe will continue to undergird the organization. 2010 will bring long-anticipated new investment options, online tools, our continued low fees, and more frequent valuations of retirement and Foundation monies, enabling us to capably and transparently serve our membership for years to come. — N.D.
Heart, Soul, and Mind

New Year’s goal forgotten? Make a (re)solution today

By March, a New Year’s resolution has had two wintery months to unravel. If you’re still working on your resolution, congratulations! However, if you are one of the estimated 35 percent of resolution-makers whose goals didn’t even make it past Jan. 1, read on for some tips on nurturing a positive change at any time in the year —

Resolve to start projects, not stop problems
Think of resolutions as projects, not prohibitions. Instead of saying, “I will quit smoking tomorrow,” turn it into a project. Decide to smoke a smaller number of cigarettes per day, or to take one day a week off from smoking. Over time, you can reduce your daily cigarette count or increase the number of no-smoking days. Small steps can lead to big changes.

Don’t only make resolutions to stop doing things — stop eating sweets, stop watching television, stop procrastinating. Be sure to set one or two positive goals — like taking a class at a local college, or starting a game night with your family, or donating a few hours of your time each week to a charity or church ministry — so that you can stay constructive and grow.

Publicize your plan
Don’t hide your resolution under a bushel — let it shine! Odds are, your resolution will continue to stick if you tell your friends, family, and co-workers about it. Having a team of people holding you accountable for your goals is helpful; when we don’t say “go to the gym” or “don’t eat that brownie” loudly enough to ourselves, our support system can amplify it.

Talk with your friends about a group resolution you can make together. Commit to cooking a healthful group meal once a month, or meeting at the gym every Wednesday morning. One new trend is to start a small-scale version of NBC’s hit show “The Biggest Loser” with your co-workers or friends. No matter what your goal, consider sharing it.

Reward your risks
We all need a pat on the back when we’ve completed a task that was difficult. Because resolutions typically only benefit the resolution-maker, think about making a schedule of rewards that correspond with your goal. If your goal is to exercise three times a week, schedule a massage for each month you keep to that routine. If you resolve to read one book per week, take yourself out to a movie or watch that Sunday football game if you succeed.

Between encouragement and discouragement, many people respond more positively to the former. If you are too hard on yourself when you slip up, you may discourage yourself from trying again.

Any day can be Jan. 1
If you start to slip away from your resolution, or you already have and can barely remember what that goal was, take heart. The date “Jan. 1” is just a symbol of new beginnings — your resolution can (re)start any day of the year. Even if you turn away from your goal for a day or a week, turn back as soon as possible. Making one mistake doesn’t mean you should give up; you can continue to make progress the next day.

If you need a grand sense of symbolism to mark the dawn of a new era for you, think about choosing your birthday, the first day of a new season, or another holiday as your starting line. Easter’s symbol of rebirth might work nicely as the starting day for your new habit, hobby, or health regimen.

Just watch out for those Cadbury Creme Eggs! — B.S.

Articles from www.time.com, online.wsj.com, www.usa.gov, and www.telegraph.co.uk provided inspiration for this article.

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Insurance News Briefs

Billing transition complete
Church of the Brethren Insurance Services wishes to thank all Medicare Supplement members for their patience during the transition from external to internal billing for 2010, which caused a delay in the mailing of January’s bill. Statements are now processed at BBT’s Elgin office. Questions can be directed to Tammy Chudy at tchudy_bbt@brethren.org or 800-746-1505, ext. 372.

Considering long-term care insurance?
Through seven different top-rated providers, Church of the Brethren Insurance Services offers Long-Term Care insurance to Church of the Brethren members and employees of affiliated organizations. For more information, contact Insurance Services Director Randy Yoder at ryoder_bbt@brethren.org or 800-746-1505, ext. 362.
**BBT staff can lead your next workshop**

Are you planning your church or organization’s next retreat, conference, or educational session? Consider inviting a Church of the Brethren Benefit Trust staff member to lead a workshop at your event. BBT strives to promote stewardship of God’s resources, and our Speakers’ Bureau topics are designed to help members of your congregation or small group toward that end. We provide this as a service to our denomination. Here are a few of the 19 topics being offered this year —

- **Socially Responsible Consuming**
  Reduce. Reuse. Recycle. These tried-and-true strategies for material consumption are unpacked in this earth-friendly session. Learn how to make wise choices as a consumer by following these simple steps.

- **Getting an A+ on Your Credit Report**
  What does your credit report say about you and the choices you make? We will talk about credit reports and discuss responsible uses of credit, as well as steps toward dealing with the challenges of having excess debt.

- **Personal Economics**
  Do you have questions about the economy? Would you like a better understanding of your money, the financial markets, and investments? This session can be tailored to the needs and interests of your organization and is presented in a round-table, question-and-answer format.

For more information, visit [www.brethrenbenefittrust.org](http://www.brethrenbenefittrust.org), click on About BBT, and then click on Speakers’ Bureau.