Spring update from BBT Board

Employee benefits were the primary focus of the spring meetings of the Church of the Brethren Benefit Trust Board, which met April 27-29 at the denominational headquarters in Elgin, Ill. During the meeting the Board discerned how to adapt its programs and services to changing demographics, attitudes, and market conditions.

The change of demographics reflects that the Pension ministry of BBT began first as an employee benefit for pastors, and then for church workers, and then for retirement community workers; today the latter category comprises more than half of the Brethren Pension Plan’s membership. The change in attitude is reflected in a growing voice that no longer wants a mandatory annuity as the only choice for employer contributions, but instead would prefer at least an additional option that gives members more control over all of their retirement contributions. The market conditions include the low rates of return for fixed investment options that have impacted the Pension Plan, and the uncertainty in the insurance industry that has impacted the Brethren Medical Plan.

“The products and services of Brethren Benefit Trust are doing well,” said Nevin Dulabaum, president. “However, in looking strategically five to 10 years ahead and even further out, we realize how market conditions, attitudes, and changing demographics could make a big impact on the services we provide and on the lives of those we serve. Thus, the Board spent a lot of time during its meeting exploring possibilities to ensure the BBT ministries stay strong for decades to come.”

On the insurance side, the Board is considering moving to a self-insured funding model to better control plan designs, premiums, risk, and client pool. On the pension side, the Board discussed the status of the current annuitants, mortality table, plan design, conversion rate.

Continued on Page 5

Practicing what we preach — the Church Workers’ Assistance Plan

How does the Church of the Brethren practice what it preaches when its own pastoral employees are in need? One answer is the Church Workers’ Assistance Plan, created to provide support for retired and active employees of congregations, districts, and camps, that are in financial distress.

In 2014 a pastor and his wife, a quadriplegic, found themselves in dire financial straits. A BBT staff member guided them through the application process for an active church workers’ grant. The first check was exactly what they needed for their mortgage payment and car bills. A year later, the grant payments ended just as the pastor became eligible for Social Security. They regard the CWAP grant as a gift from God.

CWAP offers three grant programs.

1) A Retired Church Workers’ Grant is available for those who have worked at least half time for a church, district, or camp for 10 years or more.

2) An Active Church Workers’ Grant is available for those who have worked for a

Continued on Page 5
Faith in the seedling

I live in what appears to be a ranch house, but it actually has a second floor that is artfully hidden in the construction. The kitchen and two of the bedrooms are in parts of the house that protrude from the main rectangle of the footprint, which means our roofline has many angles and valleys. We also live in a mature section of the city; gigantic trees tower over our house to provide a canopy of protection from heat in the summer, and allow me numerous opportunities to blow leaves off the roof in the fall!

Last fall on one of those roof leaf-blowing expeditions, I came upon a valley that receives a lot of shade and very little attention. I found a lot of leaves that had been there for several weeks. Within all of that was a tree seedling, with one vibrant leaf attached. I carefully detached it from the clump of leaves, saved it, planted it in a quart-sized container, and took it to my office. Not knowing if it was still alive, I have tried to faithfully water it throughout the winter. I can’t quite articulate why I did this. But my seedling had the tenacity to grow its roots into a clump of leaves in a ridgeline on my roof, and to sprout a leaf. It’s an underdog. It’s a fighter. And it is part of God’s creation of birth and death, of cycles of life, of hope and faith, and of what will come next.

The Brethren Benefit Trust Board of Directors gathered April 27-29 for its spring meetings and the agenda largely dealt with cycles of life. Our denominational membership is changing; desires and demands from those we serve are changing; and so, too, are rules and regulations of the industries in which we work. All is good, but we’re in an evolutionary cycle of employee benefits that at one time served pastors exclusively, and now serve more employees of Brethren-affiliated retirement communities. We are looking at what this demographic shift means, and are exploring options to meet changing desires in changing times. Some of that means opportunity — seedlings of possibilities — on how we might better serve our members and clients. These new possibilities are another sign that our work is part of life’s evolutionary cycle where the only constant is change.

In addition to the forward-looking work that was accomplished at the Board meeting, I was reminded of the constancy of change and the evolution of life over the weekend when I attended the closing worship service for the upper campus of the Brethren Service Center in New Windsor, Md. I first visited the center when I was 8 years old, spending a night there with my family as my father had church-related business there. That center has long been a focus of our denomination’s ministry. It has been used to send needed supplies from the Church of the Brethren, Church World Service, and Lutheran World Relief to places throughout the world that have been ravaged by natural disasters and conflict. It has been the center for our disaster response ministries, from which we send rebuilding crews in the wake of natural disasters. It has trained and sent teams that help provide daycare services for families who are victims of catastrophic events. The center has been the site of training for hundreds of Brethren Volunteer workers. It has housed SERRV, which provides living wages to third world artisans by selling their goods in the United States. It has housed Interchurch Medical Assistance, which is working to eradicate disease in impoverished areas around the world.

But needs and realities change, part of the evolutionary cycle of life, and so the upper campus of the center that for more than 70 years has been a strong focus of ministry and service for the Church of the Brethren, is now being sold. Local Brethren pastor Jim Benedict, in his brief address during the final worship service, reminded us that though the sale of the service center might be painful, the facility has not always been part of the Church of the Brethren story. Brethren were service minded and concerned for others long before that facility was purchased. Our challenge, he said, is for the denomination’s leaders to work at new ways to continue to answer those calls from Jesus to serve and care for others — the “least of these” — at our forefront, as we now work out of a much smaller New Windsor warehouse. As disciples of Christ, our call is to find new ways throughout the denomination’s national presence to make a difference in the world; I wonder — what seedlings will emerge from these new directions? Pastor Benedict’s words to me were yet another reminder of the hope that God brings to us even in times of disappointment, closure, and change.

Both of these events were fresh on my mind when I returned to my office in Illinois two days later and found that the seedling I had rescued from my roof last fall had sprouted several leaf buds over the weekend while I was gone. Hallelujah!

We are all seedlings of Christ. We face mighty change through our personal and professional lives. My prayer is that we work to faithfully serve each other, to celebrate God’s love for us, and to keep the faith even in times of change, that the ministries of Christ we nurture with love and care will blossom and grow for the benefit of those in need. — N.D.
Loving our enemies

The Southern Poverty Law Center reports that the number of hate groups in the United States rose for the second year in a row in 2016. And the stories of attacks on Jewish Community Centers and the desecration of Jewish cemeteries are chilling. Further, SPLC statistics show that the number of anti-Muslim hate groups in the U.S. grew from 34 in 2015 to 101 in 2016. Then recently two immigrant engineers from India were shot in a bar in Kansas, and one of them died. What do these facts say about our world and what each of us is called to do?

The answer is simple in one sense and not so simple in another. Whenever we encounter bigotry and hatred toward any group, we should oppose it and speak out against it. That’s the simple part. And there are ordinary everyday things we can do. Here are four examples.

In early February, some New York subway patrons were appalled to find anti-Semitic graffiti scrawled on windows, posters, and the subway map. One of the riders, a sous-chef, remembered that alcohol would remove permanent marker from a dry-erase board. He asked if anyone had hand sanitizer. Several commuters got busy and wiped away the graffiti. Then they sat down and resumed their ride. The sous-chef commented later, “We all came together, we all teamed up, and then we settled back down. I don’t think any of those people really spoke, truth be told. Everyone kind of just did their jobs of being decent human beings.”

There was also a group of churches and synagogues in a West-Coast city that banded together to post round-the-clock volunteers outside the local mosque to keep watch during a time of increased vandalism. This simple gesture of kindness led to many bridge-building conversations and healing for the whole community.

In recent months, a Midwestern Brethren congregation decided to hang a sign on the side of the church building facing the main thoroughfare that read, “Honor God — say no to anti-Muslim bigotry.” In the weeks that followed, the church received cards and letters of appreciation. A woman wrote: “I pass your church twice every day as I drive my son to and from school. This banner is a daily reminder of all that is good in the world, no matter what sad story might be the news highlight of the moment. As an American Muslim living in troubling times, I find daily comfort and hope in your banner.”

Also in recent months, a Jewish synagogue in a mid-sized community invited a representative from the Anti-Defamation League to give a presentation about the rise of anti-Semitism. Members and ministers came to the session from several Christian congregations. Those visitors from the larger community actually outnumbered the members of the synagogue. The local police made sure there was an officer present in case of any anti-Semitic activity that evening. The gratitude of the members of that synagogue was palpable. Their Christian friends and neighbors were standing with them, but it wasn’t just Jews and Christians standing together against hate and bigotry, it was human beings remembering their deep connections and common humanity.

And that brings us to the much harder thing today’s hatred and bigotry asks of us — something not everyone agrees with and all of us find almost impossible to practice — which is to love our enemies. How can we possibly love the ones who wrote that New York graffiti or defaced those Jewish gravestones? We reject them, we push them away, we want to have nothing to do with them and their hateful agenda. Yet doing so just continues the cycle of anger and rejection. The much harder task is to try to understand and even feel compassion for those guilty of hate speech and hate crimes.

For most of us this is nearly impossible. We likely do not know the worst offenders, the ones whose actions and words appear in the media. But we do know people around us who use angry and hateful words and whose views deeply offend us. In the present polarized political climate, it’s almost expected that we abhor them.

But hatred and bigotry depend on a failure or unwillingness on the part of one person to see and respect the other as a human being of value. So if we really want to resist bigotry, we have to start by imagining its beginnings in ourselves, and understanding how it might be on a continuum with the recent hateful acts in cemeteries, subways, and a bar in Kansas.

Let us stand with those who are discriminated against, let us put up signs supporting minorities, and let us remember that we all — the haters, the hated, the ideologues on both sides, and those of us caught in between — are human beings and children of God. — J.L.
Now is the time to think about retirement

Thirty-one percent of non-retired adults report that they have no retirement savings or pension whatsoever. This figure comes from a study by the Federal Reserve, “Report on the Economic Well-Being of U.S. Households in 2015,” which was written in May 2016. Another source, GoBankingRates.com, puts the figure a bit higher, finding that most people are behind where they should be in their retirement savings. They published the following chart:

People have many reasons for not saving for retirement — credit card debt, student loan debt, low wages or salary, or the need to save for child-related expenses. Further, not everyone works for an employer who offers a retirement plan. Even when people do put money aside, they are not always sure of the best way to do it. Among those who have retirement savings, many are afraid they will make the wrong decisions. The Federal Reserve study found that in 2015, only 15 percent were very confident about how to invest their savings; 36 percent were mostly confident; 33 percent were only slightly confident; and 15 percent were not confident at all.

One of the alarming realities is that women are less likely to have retirement savings than men. According to time.com, 63 percent of women say they have no retirement savings or less than $10,000, compared with 52 percent of men. And this gap grows wider as retirement fund balances get higher. One reason is the gender pay gap; women tend to earn less than men. Women are also more likely to have employment gaps because of taking time from work to raise children, during which time they are without income. Further, women’s medical costs tend to be higher in retirement, and they live longer. To counter these realities women need to be proactive about retirement savings.

As you would expect, retirement savings correlate with age. The older people are, the more likely they are to have money put away for retirement, but the chart below shows that in most instances, they have not put enough aside. See chart on the right.

Still, overall, 13 percent of Americans of all ages and 22 percent of those over 55 do have $300,000 or more saved for retirement.

Here are some things to think about to help you maximize your retirement savings —

1. If you are still young, you are lucky enough to be able to start early. Saving as little as 5 percent of your income can make a big difference over the long term. Time is on your side.
2. Know your employer’s matching and vesting schedules, so you get your full employer match.
3. Put as much aside as you can afford and your pension plan allows. A 403(b) plan allows you to put aside up to $18,000 annually and deduct it from your taxable income.
4. Take advantage of catch-up contributions. After age 50, the above figure rises by $5,000 to $23,000.
5. Get out of debt.
6. Build an emergency fund so you don’t lose your retirement funds to an emergency.
7. Consider a Roth IRA. Your contributions are taxed, but then those amounts, as well as your earnings, are sheltered from income tax.
8. Keep your retirement goals in front of you.
9. Diversify and rebalance on a regular schedule.
10. If you don’t want to manage your funds directly, try to grow your funds while you’re younger or preserve your funds as you approach retirement, consider Target Date Funds.

Here are some retirement mistakes you should avoid:
• Starting your retirement planning too late
• Not knowing how much you will need to retire
• Failing to plan for medical expenses
• Not increasing your retirement savings amount after a pay raise
• Failing to take your employer’s match
• Paying high retirement account fees
• Not paying attention to the performance of your retirement account
• Cashing out your eligible pension funds between jobs
• Assuming you will work during retirement
• Not picking the right investments
• Retiring too early
• Borrowing from your retirement account — J.L.

<table>
<thead>
<tr>
<th>HOW MUCH HAVE PEOPLE SAVED FOR RETIREMENT?</th>
<th>Millennials 18-24</th>
<th>Generation Xers 35-54</th>
<th>Boomer Seniors 55+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No retirement savings</td>
<td>42.20%</td>
<td>29.80%</td>
<td>28.00%</td>
</tr>
<tr>
<td>Less than $10,000</td>
<td>29.80%</td>
<td>21.90%</td>
<td>17.30%</td>
</tr>
<tr>
<td>$10,000 to $49,000</td>
<td>11.20%</td>
<td>11.20%</td>
<td>8.70%</td>
</tr>
<tr>
<td>$50,000 to $99,000</td>
<td>6.30%</td>
<td>10.30%</td>
<td>7.10%</td>
</tr>
<tr>
<td>$100,000 to $199,000</td>
<td>3.50%</td>
<td>8.80%</td>
<td>10.30%</td>
</tr>
<tr>
<td>$200,000 to $299,000</td>
<td>2.20%</td>
<td>5.80%</td>
<td>6.20%</td>
</tr>
<tr>
<td>$300,000 or more</td>
<td>4.90%</td>
<td>12.10%</td>
<td>22.40%</td>
</tr>
</tbody>
</table>
BBT news

**Jeremiah Thompson** joined the BBT staff in March as the director of Insurance Operations, a new position that will enhance the Benefits department. Jeremiah comes to BBT from Judson University where he both worked as head of the Human Resources department, and studied; he is a recent MBA graduate. He is also an ordained minister, and he and his family live in Elgin and are members of the Elgin Church of the Nazarene.

Brethren Benefit Trust recently said goodbye to **Eric Thompson**, who tendered his resignation in March. Eric began his BBT career in January 2001, as the Information Services Support Technician, after spending a year with Brethren Volunteer Services. During his 16-year tenure at BBT, Eric completed his degree in Operations Management and Information Systems from the School of Business at Northern Illinois University, and in 2008, was promoted to director of Operations for Information Technology. In February 2017, Eric accepted a position with the United Methodists, and BBT wishes him all the best in his new venture.

**German Gongora** was promoted to the position of Director of Operations for Information Technology on March 27. German was hired at BBT as the Programmer Analyst & Technology Support Specialist in 2012, and was promoted to his current position when Eric Thompson resigned. German is from Chaparral, Colombia, and holds a Master of Business Administration from Universidad del Rosario and a Bachelor of Computer Science from Universidad Catolica de Colombia, Bogota.

BBT welcomed **Joven Castillo** in April as the new Technology Support Specialist, a position that will make use of his many “help desk” talents and a component that needed to be filled after the departure of Eric Thompson. Joven received his Associate of Applied Science — Information Technology degree from Elgin Community College and has since served organizations in an IT support role. Joven is from Manila, Philippines, and he and his family live in Elgin and are members of St. Thomas More Catholic Church, where he also serves as one of its choir directors.

**Pension Plan**

“Practicing what we preach …” continued from Page 1

church, a district, or a camp at least half time for five years or more, and who are still employed by one of those organizations.

3) **A Medicare Supplement Grant** may be made to any retired or active employee who has worked at least half time for 10 years or more for a church, district, or camp, and who has purchased Medicare Supplement Insurance through BBT.

In 2016, more than $286,000 in grants was dispensed by CWAP to 42 retired grant recipients (including nine recipients of Medicare Supplement Grants) who received $255,884, and six active employees received a total of $30,654.

CWAP is financed by church, district, and camp employers who designate 1 percent of their salary expenditures to this fund, and also from additional congregational and individual donations.

If you know someone who has worked for the church and is in need, refer that person to **Ellen Lennard**, Employee Benefits Specialist, 800-746-1505, ext. 3391, or elennard@cobbt.org. — J.L.

“Spring update from BBT Board …” continued from Page 1

and asset allocation of the Retirement Benefits Fund. Staff was given some follow-up tasks, and the Board is expected to continue its discernment of these issues during the July meeting.

In other news, the Board —

• Met in closed session with Legacy Professionals, BBT’s independent audit firm. In 2016, BBT and its affiliates each received an unqualified opinion for its audited financials, which is the highest rating that can be earned.

• Approved the two Brethren Values Investing lists that are updated annually — the top 25 publicly traded U.S. Department of Defense Contractors list, and those companies that generate 10 percent or more of their revenue from DoD contracts. These lists are available on the BBT website.

• Put BBT’s Mid-Cap Value and Large Cap Growth managers on watch for subpar performance in 2016. They will be replaced if their performance does not improve.

The next face-to-face meeting of the BBT Board is scheduled for July 2 in Grand Rapids, Mich. — N.D.
Church Workers’ Assistance Plan grants can help those in need — details on Page 1

BBT’s Annual Report will be available online on June 30.

If the online version is not an option for you, please contact us to request a printed copy.

communications@cobbt.org
800-746-1505, ext. 3376

Annual Report
1505 Dundee Ave.
Elgin, IL 60120

In This Issue

• Front page
  A BBT Board meeting update

• Your Money
  Are you prepared for retirement?

• Heart, Soul, and Mind
  Stories of compassion in the midst of tumult

• President’s Message
  Changes and cycles in the Brethren world

• What’s new with BBT?
  Staff changes and goodbyes

Reprinting of articles is encouraged with this credit — “Reprinted from the Spring 2017 Benefit News.”

To access article text electronically, go to: cobbt.org/newsletters