



EMPLOYEE

NEWS & VIEWS

OPERATING AT THE
INTERSECTION OF
FAITH AND FINANCE

A Quarterly Update from the Pension Boards

Summer 2016

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The Pension Boards

United Church of Christ, Inc.
475 Riverside Drive, Room 1020
New York, NY 10115
1.800.642.6543 | www.pbucc.org

A Message from the President/CEO

Recently, two staff colleagues and I had an opportunity to attend a gathering of church leaders hosted by the Lilly Endowment. One of the presenters made an insightful observation: *"Strong ministries of service require strong ministries of support."*

"Strong ministries of service require strong ministries of support."

Strong ministries of support are essential to the Pension Boards' ongoing work on behalf of those who serve the Church. Support is part of all that we do, whether we are answering phones, helping a member with a benefits question, preparing a presentation, or working collaboratively with the wider Church.

Our Board of Trustees also plays an important role in the Pension Boards' ministries of support. Each Trustee brings a depth of talent in her or his area of expertise, coupled with a commitment to the United Church of Christ.

In the last issue of *Employee News & Views*, we shared an interview with Board member Jeanette Carpenter Schreiber. In this issue, I am pleased to introduce two more Trustees: the Rev. Leslie Schenk, Ph.D., an economist and pastor, and the Rev. Dr. Arthur L. ("Art") Cribbs, Jr., a pastor, journalist, and justice advocate.

Leslie, a member of the Pension Boards' Investment Committee and a Director of the United Church Board for Ministerial Assistance, is Pastor of Plymouth Congregational United Church of Christ in Madison, Wisconsin. Previously, she served

seven years in a yoked UCC congregation in Ladysmith and Conrath, Wisconsin. At Ladysmith, she also served a mission congregation of the Evangelical Lutheran Church in America.

Art, a member of PBUCCT's Audit, Budget, Enterprise Risk Management, and Benefits Committees, is the Executive Director of The Interfaith Movement for Human Integrity, a faith-based organization that advocates immigrant rights, quality education, and health care. He also serves as Pastor of Los Angeles Filipino United Church of Christ, and previously served as Pastor of UCC congregations in San Diego and San Marino, California, and as Executive Director of the UCC Office of Communication.

Please read excerpts from recent interviews with Leslie and Art (p.4). Visit www.pbucc.org to read the full text of the conversations. I hope you will find their stories as compelling as I do.

Best regards,

Brian R. Bodager
President/CEO



Financial Market Volatility and the Brexit Vote

David A. Klassen, Chief Investment Officer

On June 23, 51.9% of U.K. voters opted to “Leave” the European Union, an outcome that largely surprised market participants. Leading up to the referendum, recent market movements suggested that the consensus view was for voters to choose to “Remain.” In fact, global equity markets were up in the 4% range for the quarter-to-date prior to this news. The greatest immediate impact now will be in U.K. equities and European and global equities, and the beneficiaries will be in safe havens such as U.S. treasuries, which continue to rally strongly and confound the experts.

Our stance going in to this period of potential Brexit, high central bank involvement, and numerous elections (especially here in the U.S.) was to position with our lowest allocation to equities in the past five years in balanced funds. In addition, our fixed-income portfolios have a fairly meaningful sensitivity to the benefits



of lower interest rates. Finally, our exposure to direct investments in U.K. securities is below that of global indices.

Over the short and perhaps even intermediate term, the surprise exit referendum result will cause volatility. In addition, markets will be concerned with the impact of protectionist responses on global growth, economies, trade, labor mobility, and politics. Certainly, bodies such as the

International Monetary Fund (IMF), the World Bank, the Bank of England, and the World Trade Organization have previously opined on the impact.

The reality is that policy responses around the world will lessen the impact. It will take 24-36 months for the U.K. to leave the European Union. Without minimizing the impact on portfolios and markets, a balanced approach to our asset allocation strategy, as well as the sharp analytical tools of our manager partners, will aid in systematically identifying the current and future opportunities and risks presented by this news. However, and most importantly, we reaffirm that the primary objective of our investment stewardship on your behalf is to stay adaptable, but also to remain focused on your long-term financial security.



Prophetic Voice...Prophetic Engagement

Rev. Richard E. Walters, Director, Corporate Social Responsibility

Sometimes the values represented by the prophetic witness of the church coincide with the values of secular organizations that are also mindful of creation, human dignity, and justice, albeit without the theological reflection. But while there is a difference – or perhaps just a less obvious presence – between a faith perspective and secular activist groups, there is an even wider gap in expertise in the execution of effective strategies for social justice. Faith-based groups sometimes lag behind in this area. This gap is especially apparent when it comes to direct dialogue strategies.

I recently had a conversation with a former legislator who had been met with

an active protest of his activities by a particular group. I asked him if the group had attempted a dialogue or a specific “ask” of him prior to the protest. He said, “No, and I would have been receptive to that if they had approached me first.” Sometimes, we skip the human contact and dialogue and proceed directly to other strategies – perhaps because we do not want to confront the issue directly for fear that the conversation and outcome may not be to our liking – when the most effective means of achieving change is to talk first. That’s the philosophy of the Pension Boards in promoting transformational change through engagement throughout our social justice work related to leveraging assets and sustainable investment.

Finding common ground with secular groups like the Forum for Sustainable Investment (USSIF), Ceres, the Investor Network on Climate Risk, along with the faith-based Interfaith Center on Corporate Responsibility (ICCR), PBUCC joins in a \$3 trillion leverage to get dialogue going where it is needed most to promote our human rights and environmental priorities with companies, legislators, and shareholders. Recent topics at the USSIF annual meeting in Washington, attended by PBUCC and United Church Funds, were diversity and the presence of women in management and boards; community development investment; and climate change and social justice. The passion and devotion to issues like these is often equal among

(cont'd. on p. 3)

The Christmas Fund: Giving Thanks and Looking Forward

Rev. Krista L. Betz, Director, Ministerial Assistance | Rev. Dr. Jonathan B. Lee, Philanthropy Officer

After receiving assistance from the Christmas Fund for the Veterans of the Cross and the Emergency Fund, a retired minister from Arizona wrote to express his long familiarity with that circle of caring. “Prior to my retirement, I had always encouraged the congregations that I served to participate in the offering. Yet now, as a recipient of these kind gifts of caring in my retirement years, I find it heartwarming that our churches and church people care so much for pastors like myself, who, for various reasons, find themselves struggling to make ends meet. Little did I know back then that I would be a beneficiary of their kindness further down the road.”

In 2015, the United Church Board for Ministerial Assistance (UCBMA) – and in turn hundreds of servants of the United Church of Christ like this pastor – were blessed to receive financial support from congregations and individuals totaling \$1,526,161. Thank you to every person and every church that gave to the Christmas Fund!

A special word of gratitude to the churches that led the way in congregational giving: the largest total gift, \$30,169, came from Naples UCC in Naples, Florida, followed by Central Union Church UCC in Honolulu, Hawai‘i, which gave \$13,010. The greatest per capita giving came from Lahuiokalani Kaanapali Congregational UCC in Honokowai, Hawai‘i, contributing \$200 per member,



and from First Congregational UCC in West Chicago, Illinois, which gave \$100 per member.

The Christmas Fund provides direct financial support to UCC clergy and lay church employees – both active and retired – who are facing financial difficulties. For some, it’s a one-time emergency grant to cover unexpected medical bills or home repairs from a natural disaster, keeping them from going into debt; for others, it’s supplemental income so vital when living on the financial edge after years of service to the church.

Each year, through the generosity of congregations, individuals, and generations of donors who included permanent gifts in their estate planning, the Christmas Fund has met real needs

and changed lives. Still, the number of retired and active clergy and lay church workers who need assistance continues to outpace our capacity to provide for all of them. The Christmas in July appeal reflects the urgency of this compassionate ministry year round.

In the heat of Summer, your gift to the Christmas Fund will aid UCBMA in helping sisters and brothers who have served so faithfully and now need us to serve them. You can make a secure contribution online at www.christmasfund.org, or by sending a check made out to “UCBMA” and earmarked “Christmas in July” to the Pension Boards address in New York.

Praise and thanksgiving to all who have given, and to all who will!

Prophetic Voice...Prophetic Engagement (cont'd. from p. 2)

secular and faith-based activists in these coalitions and there is much to learn from our colleagues in the secular world.

What can we do as a Church to further our expertise? We can: 1) partner with

others who share our values; 2) move beyond the walls of current strategies to learn from other like-minded groups; 3) study and learn from the effective strategies of others; and, 4) bring more diversity and greater innovation to

strategies for doing social justice work in the Church. Want to know more? Please contact me at rwalters@pbucc.org. Let’s talk first and then act boldly together.

Interviews with PBUCC Trustees Leslie Schenk and Art Cribbs



Leslie, you entered ministry after a successful career in the corporate sector. Can you share a little about that journey?

After earning my Ph.D. in economics from Michigan

State University, for nine years I worked as an economic consultant, primarily doing cost and productivity analysis and statistical studies for a major U.S. company in a regulated industry. The technical work was interesting, but the greatest fulfillment I got in my work was in helping clients to see how the technical analysis could be used to better their everyday operations, and so help provide better service to their clients.

To some people it seemed like a big shift for me to quit this work that I loved, enter seminary (Eden Theological Seminary in St. Louis), and become a pastor. But those who know me well saw that in both vocational paths there are aspects of working with people, teaching, and helping to mentor others that I have an affinity for. What I like best about my work in the church is helping people to see how faith is about everyday life – that is, how we are called to live as God's people, journeying together in ministry and mission to all creation. We have good news to share, and people who are hungry to hear it. The world needs the passionate and compassionate faith of those I have encountered in the UCC!

You also serve as a Director of the United Church Board for Ministerial Assistance (UCBMA). What do you see as the challenges for authorized ministry in the 21st century? How is the Pension Boards providing assistance that furthers the mission of the Church?

The challenges for authorized ministry in the 21st century – we could talk about those for a long time! The Pension Boards and UCBMA are well informed on the changing landscape of paths to

ministry, and are strategically seeking new ways to respond, working with national UCC staff.

Both UCBMA and PBUCC address complex needs of the church – taking care of those who have finished their service to the church and need financial assistance, helping the next generation of church leadership to respond to the changing needs of the church, helping the UCC plant new churches in growing and diverse areas, strengthening the ministry of mid-career pastors and denominational leaders, and responding to changing health and investment needs.

It is a challenging time in the life of the church, but PBUCC and UCBMA staff and Boards are hopeful about our future, in part because they get to know those who have laid the path and those who are helping lead us into that future. (Read more at http://bit.ly/PB_LS)

Art, you entered ministry after a successful career in journalism. Can you share a little about that journey, and how you bring together your communications

skills and your pastoral ministry?

Ministry and media have been part of my life since I was 13 years old. Over the summer between 8th and 9th grades, three events occurred that shaped my journey. First, my closest friend went on vacation with his family to Chicago and did not make it back home. He was hit by a truck and killed. A few weeks later I preached my first sermon in my father's Baptist church. Then, shortly after school began, I wrote my first article for our junior high school newspaper. My dual path of ministry and journalism was set.

You are one of six clergy members serving on the PBUCC Board of Trustees. What do you see as the



challenges for authorized ministry in the 21st century, and how is the Pension Boards addressing this issue?

We live in an era when greed has become more prominent. As a result, a premium price is placed on the most essential commodities of life, including housing, health, food, and transportation. It is very difficult for many families to survive under economic duress. We have experienced the erosion of public assistance and the abandonment of public housing and affordable health care. Too many people have had to dig into their savings accounts and funds set aside for retirement just to eke out a living every day. At the same time, the cost of education has skyrocketed almost out of reach and places young people and students deeply into debt before they begin their careers.

The Pension Boards strives to address these issues in a variety of ways. Cost-saving pharmaceutical plans are in place to meet the needs of members; programs prepare ministers and next generation leaders of the church; opportunities have been created to instruct how to save; and accounts to prepare for the future have been established. These activities are relevant and helpful for 21st century professionals who serve the church. (Read more at http://bit.ly/PB_ALC)

New! TAD 2035 and 2040 Funds

In response to members' needs for investment options that will help them plan for a more secure retirement, two new Target Annuity Date (TAD) Funds were introduced on May 1, 2016: TAD 2035 and TAD 2040. The new TAD Funds are designed for members with a longer retirement time horizon, who expect to annuitize on or close to the year indicated in a Fund's name. To learn more, visit http://bit.ly/PB_TAD.

MEMBER EDUCATION

Wynonia Leak, Director, Member Relations/Member Education

Early- and Mid-Career Financial Planning Seminars

In recognition of members' need for objective and independent financial planning services, the Pension Boards offers no-cost financial planning to actively-contributing members of the Annuity Plan, through Ernst & Young Financial Planning Services®. On May 17, 2016, the Pension Boards hosted its first **Early- and Mid-Career Financial Planning Seminar** in Cleveland. The seminar introduced early- and mid-career employees to topics including:

- Setting and prioritizing financial goals
- Managing cash flow and debt
- Developing a savings strategy for life goals
- Understanding investment options
- Retirement planning
- Protection planning

- Financial planning tools and resources

Attendees responded enthusiastically to the seminar:

"The presenter was amazing!

He presented the material in an accessible manner."

"Expertise of the leaders was clearly evident."

The second Early- and Mid-Career Financial Planning Seminar will be held on **Wednesday, November 15, 2016**, at the **Renaissance Providence Hotel, 5 Avenue of the Arts, Providence, RI 02903**. Watch your mail and e-mail for your invitation to future seminars, or visit www.pbucc.org for more information.

Upcoming Webinars

Wednesday, August 10
(EY) Protecting Your Family After You're Gone

Wednesday, September 7
(EY) Using a Health Savings Account

Wednesday, October 5
(EY) Controlling Your Spending

Thursday, October 19
Overview and Discussion of the 2017 Medicare Supplement Health Benefits Plan

Visit www.pbucc.org for recordings of past webinars. EY webinars (for actively-contributing members of the Annuity Plan) are available at <https://pbucc.eyfpc.com>.

Church Relations

Look for Us!

PBUCC representatives will be at the following UCC National and Conference events later this year:

August 17-19
MESA Members in Discernment Gathering

October 9-11
Northern California Nevada Conference Ministers Retreat

October 14-15
Michigan Conference Annual Meeting

Kansas-Oklahoma Conference Annual Meeting

October 22-23
Maine Conference Annual Meeting

November 29-December 3
MESA AM21 Meeting

We look forward to seeing you!

Are you looking for keynote speakers, workshop facilitators, or other presenters for an upcoming Conference or wider Church event? The Pension Boards can help! Visit our Speakers Bureau at http://bit.ly/PB_Speakers or contact the Rev. Martha M. Cruz, Communications and Church Relations Officer, toll-free at 1.800.642.6543, ext. 2740 or by e-mail at mcruz@pbucc.org.



Planning Your Digital Afterlife

Have you given much thought to what will happen to your digital assets after you're gone? Think about all the photos, videos, music, documents, and e-mails you've got stored on a personal computer, smartphone, tablet, or cloud service. You may also have multiple social media profiles (Facebook, Twitter, Pinterest, etc.) as well as online financial accounts (banking, investing, PayPal, etc.). These assets are probably scattered among multiple places across the physical and digital universe. All or most are probably safeguarded by a username and password or PIN.

The average consumer has assigned a value of more than \$35,000 on assets stored on computers and other devices, according to McAfee, a maker of computer security software. Leaving

behind digital assets that are locked away without keys or hidden from your survivors could lead to delays in settling your estate, the unnecessary loss of certain assets, and frustration for your beneficiaries.

EY offers information and guidance to actively-contributing Annuity Plan members on all aspects of planning your estate – both traditional and digital. Call the EY Financial Planner Line® at 1.877.927.1047 or visit the EY Financial Planning Center® site, <https://pbucc.eyfpc.com>. The site offers articles, calculators, recommended action steps, and a checklist to assist with your estate planning.



HEALTH & WELLNESS

Frank Loiacono, Director, Health Plan Operations

Zika Virus

In early February, the World Health Organization (WHO) declared

the Zika virus epidemic a public health emergency. Zika is a mosquito-borne virus that typically causes fever, rash, joint pain, and conjunctivitis (pink eye). Zika infections have also been documented through sexual transmission. The illness is usually mild, with symptoms lasting just a few days.

The primary concern with Zika is the effect it can have on babies whose mothers become infected while pregnant. In early April, the Centers for Disease Control and Prevention (CDC) concluded that the Zika virus is a cause of microcephaly and other severe fetal brain defects.

Currently, there is no vaccine to prevent Zika, but you can protect yourself from mosquito bites, especially when you travel.

- Wear long pants and long-sleeved shirts.
- Use insect repellent with DEET (N,N diethylmetatoluamide). You can buy it in different strengths up to 100%. The American Academy of Pediatrics and other experts suggest that it is safe to use a repellent with 10% to 30% DEET on children older than two months.
- Spray clothing with DEET. Mosquitoes may bite through thin clothing.
- Sleep under mosquito netting if you are outdoors or overseas.
- Use an indoor insect fogger or spray. NOTE: When using insecticides, always follow label directions.
- Do not leave puddles or open containers of water near where you are staying. Mosquitoes breed in standing water.
- Avoid areas where there is an outbreak, especially if you are pregnant or of childbearing age.

ZIKA VIRUS



Health Plan Enhancements for 2017

Effective January 1, 2017, the UCC Health Plan will expand its eligibility guidelines to include **health coverage for opposite-gender domestic partners**. The Plan will continue to offer coverage for same-gender domestic partners.

Also effective January 1, the Non-Medicare Plan will provide **access to behavioral health and substance use disorder services through Highmark Blue Cross Blue Shield**. With its robust provider network and high member satisfaction rate as the Plan's vendor partner, Highmark will replace Value/Beacon Health Options. Network providers may be found online at www.highmarkbcbs.com, or by calling Highmark Member Services at 1.866.763.9471. New medical identification cards will be issued.

Drop 10 in 10 – Take Control of Your Weight

Non-Medicare Plan participants and their covered spouses/partners can enroll in **Drop 10 in 10**, a free weight loss program through Highmark. A personal wellness coach will provide support, help you set realistic goals, and keep you motivated. Reach your goals while earning your 2016 Healthy Stewards rewards! Eligible participants can earn \$100 for setting a goal with their **Drop 10 in 10** personal wellness coach.* Call 1.888.BLUE.428 (1.888.258.3428) from 8:30 a.m. to 9:00 p.m. (ET) Monday through Friday to enroll.

* Wellness Profile completion is a requirement of the 2016 Healthy Stewards Program.

Foreign Medical Care

UCC Non-Medicare Health Plan participants are covered for inpatient and outpatient medical services while traveling to foreign countries. If you need information on available local hospitals or physicians at your travel destination before your trip, call 1.800.810.2583 or access the information at www.highmarkbcbs.com under BlueCard Doctor and Hospital Finder. If you require medical attention when traveling outside the U.S., call BlueCard Worldwide at 1.800.810.2583 or call collect at 1.804.673.1177. A medical assistance coordinator, in conjunction with a nurse, will arrange hospitalization, if necessary, or make an appointment with a physician. In an emergency, you should go directly to the nearest hospital. Please remember to bring your Highmark identification with you while traveling. Note that medical evacuation and repatriation of remains are not covered services. If you require additional information, please contact a Pension Boards' Health Services Representative at 1.800.642.6543, ext. 2870.