

“Do not boast about tomorrow, for you do not know what a day may bring.”
— Proverbs 27:1 (NRSV)

Build Retirement Income Now!

The scripture is clear. None of us know what tomorrow may bring. So, why not prepare your finances as best as you can for future life events?

Through pre-tax contributions to the Pension Boards' **Employee Retirement Contribution Account (ERCA)**, also known as a tax-sheltered annuity or TSA, you can begin to build your retirement income and create a sizeable nest egg for when unexpected life events occur.

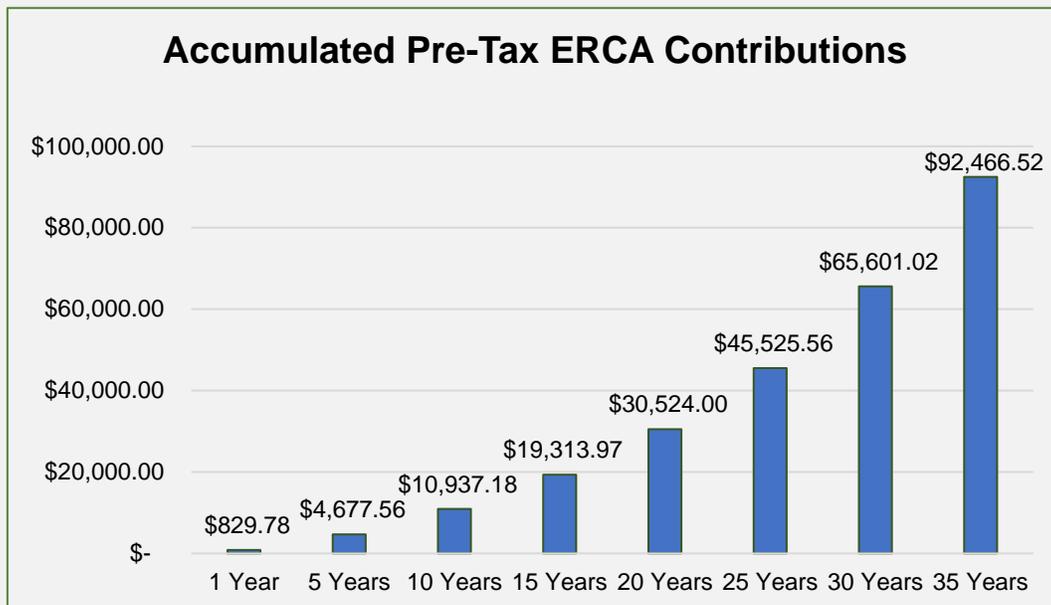
Here's what you need to know:

- Make personal pre-tax contributions, as little as \$25 a month, to the Pension Boards' Employee Retirement Contribution Account, or
- Supplement your employer's contributions through payroll deductions
- Open an account whether or not your employer makes contributions to the Annuity Plan for the United Church of Christ on your behalf, if permitted by your employer.

Each year, the IRS determines the allowable maximum personal contribution based on your salary. And, if you are 50 or older you can contribute more money, as set by the IRS as a “catch-up” contribution. Keep in mind, the total annual contribution to the Annuity Plan, both for employer and employee, cannot exceed the lesser of \$55,000 or 100% of cash salary.

Watch Your Contributions Grow!

If you contribute \$200 per quarter for a 35-year period, with an assumed 6% return on your investments per year, in just five years, you can more than triple your contributions. By year 20, you will have accumulated more than \$30,000!



The calculation is for illustrative purposes only and does not guarantee future fund performance.

Investing pre-tax dollars in an Employee Retirement Contribution Account:

- Reduces your taxable income (amounts are tax-deferred until withdrawn at annuitization)
- Provides the advantage of the housing allowance tax exclusion in retirement (for authorized ministers)
- Allows for rollovers of other pre-tax accounts such as IRA, 403(b), 401(k) plans to a Rollover Contribution Account
- Offers access to **no cost** Ernst & Young Financial Planning Services



Who Can Participate?

A clergy person, lay employee, a chaplain employed by a UCC church or UCC-related employer, or a self-employed minister.

An employee of an eligible church, convention, or association of churches that previously participated in the Annuity Plan (or its predecessor plans), or who is an active member of the Plan if such organizations make regular contributions to the Annuity Plan on behalf of such member.