



2019 Greetings from Brethren Benefit Trust to the moderator, delegates, and members of Southern Ohio & Kentucky District! It is our pleasure, as an agency of the denomination, to serve you.

Since last year's District Conference, our denomination has been navigating the discernment and conversation of the Compelling Vision process — a process that will hopefully clarify and unify who we are as a church.

Our BBT group took part in this as well, addressing three key questions — What does a church that is making a difference in people's lives and in the world look like? What do we need to do to become that kind of church? What can BBT do to help us become that kind of church?

Through our collective travels and engagement in the Compelling Vision process, we have heard a variety of opinions of what this process will have achieved when it is concluded, and until the Compelling Vision Process Team is able to distill direction and/or outcomes, uncertainty will continue.

But not for BBT. BBT was formed by the Church of the Brethren Annual Conference to serve members and organizations of the denomination, and others of like mind. While we acknowledge that there is dissension and disagreement within the denomination, BBT's role is to serve all congregations, employees of affiliated agencies and organizations, and other organizations that share common values and bonds.

Brethren Pension Plan

Church of the Brethren Pension Plan serves more than 4,700 current and former employees of congregations, districts, camps, retirement communities, and denominational organizations.

Last year, approximately 1,780 monthly benefit payments averaged \$753, which means we paid out more than \$1.3 million to our members in total monthly benefits!

Earlier this year, Brethren Pension Plan switched to a new recordkeeper, Northwest Plan Services. We see a big advantage to working with a smaller, niche-style recordkeeping company that will be better able to manage the unique, complex structure of our Plan, as well as troubleshoot and solve problems for members, and improve their overall customer experience.

Church Workers' Assistance Plan

This benevolence ministry offers grants to active and retired church workers who have severe financial need. In 2018, more than \$330,000 was given in assistance to 47 individuals, and this included helping three families save their home from foreclosure. This year we expanded the scope of the program as we started issuing grants to pastors and church workers in Puerto Rico.

Brethren Insurance Services

Brethren Medical Plan completed its first year as a partially self-insured plan in 2018, a transition from a fully insured arrangement that has given us more control over plan design, premium setting, and groups that can join the plan. We are working to grow the Plan by emphasizing proactive prevention instead of reactive treatment. In 2019 we passed along a premium rate increase of no more than 1 percent. We continue to work to stabilize and grow the Plan with the hope of again providing medical insurance to our pastors at a future date. We also saw an increase this year of usage of our ancillary insurance offerings, which includes life, vision, dental, Medicare Supplement, short- and long-term disability, and long-term care.

Asset Management through Brethren Foundation Funds

BFFI manages assets for congregations and denominationally related organizations with accounts from \$10,000 to more than \$10,000,000. Staff work diligently to ensure that clients have numerous investment options, can check the status of their funds and handle administrative tasks via a secure online Web portal, and are able to access their funds very quickly, much like one would with a bank, through electronic fund transfers. Assets under management at the end of 2018 for nearly 200 organizational clients were \$165,959,489. We would love to serve your congregation and district if we aren't already. Let's talk!

Charitable Gift offerings through the Brethren Foundation (BFI)

This ministry manages deferred gifts for any Church of the Brethren members who are working on stewardship of their resources. It offers a number of charitable gift instruments for various types of needs and results, and can write a gift for multiple Church of the Brethren congregations and organizations. Assets under management at the end of 2018 were \$4,467,815. At the end of 2018, BFI was managing assets for nearly 150 deferred gift donors.

Investment Oversight

We are keenly aware that the stock market in the past year experienced wild up-and-down swings, which in turn affected our members' and clients' peace of mind. It was difficult to watch the numbers going in the wrong direction at the end of 2018, an action that is completely out of our control. What we can do, however, is maintain a strong stable of investment options that perform well both in terms of real returns and when compared with their respective benchmarks. We believe investments should be for the long term, and so we evaluate our investment managers and mutual funds over a five-year rolling time period. Providing sound investment choices to our members is one of our top mandates, and we do so by having solid investment choices with investment assistance available so that all those we serve can work toward fulfilling their financial goals.

Brethren Values Investing

We have long believed that Brethren values investing not only makes sense from a conscience perspective, but that our values-based portfolio frequently outperforms portfolios that are not considered socially responsible. Wherever possible, our investments are consistent with Church of the Brethren Annual Conference statements. Screened from our portfolios are the 25 publicly traded companies that receive the top U.S. Department of Defense contracts, as well as companies that generate 10 percent or more of their gross earnings from U.S. Department of Defense contracts, firearms and military weapons systems, weapons of mass destruction, abortion, alcohol, gambling, pornography, or tobacco. Companies that are egregious violators of environmental or human rights regulations are also screened. We also practice advocacy through BVI with companies in which BBT owns stocks, and with other initiatives that affect how companies interact with shareholders and with others in the global community. Lastly, positive investing is also a component of BVI, which means investing funds in higher-than-normal risk areas that help stimulate economic growth in inner-city redevelopment communities. We have one such investment option that helps rebuild communities nationwide.

Workshops for all

While overseeing retirement funds and retirement planning for other people, we recognize the importance of equipping them with the tools they need to be successful, and BBT has taken several steps to bolster this feature within the organization. Several staff members have received certifications that give them the knowledge and credentials to increase their level of service to our members. It was necessary in 2018 to add a staff person who is responsible for offering resources and direction to Brethren Pension Plan members, which will help guide their journey toward retirement readiness. And as in past years, we will continue to provide free educational presentations on topics such as retirement readiness, long-term care, financial wellness, stewardship, and more. Feel free to pick up our workshop brochure at our booth or from a BBT staff member. We'll be glad to present a BBT workshop at your congregation upon request.

How BBT has served

BBT is proactive in its advocacy to solve problems and provide solutions to those we serve. We offer quality products at competitive prices. We provide resources and information to help individuals and organizations become strong stewards of their financial resources. And, with compassion, we provide benevolent funds to help pastors and church workers who have extraordinary financial challenges.

Brethren Pension Plan began in 1943; Brethren Insurance Services in 1954. Our asset management and deferred gifts ministry began in 1990. Through the decades we have served thousands of pastors, church workers, and employees of affiliated Church of the Brethren organizations, as well as individual church members. We expect to continue our service for decades to come.

Building Financial Security.

Bettering the World.

Together.

That's BBT.

Harry

Harry Rhodes
Chairman

Nevin

Nevin Dulabaum
President

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