



ANNUITANT

NEWS & VIEWS

PARTNERS
INTO THE NEXT
CENTURY

An Update from the Pension Boards

Spring 2015

In This Issue

2

Solid Start Extended
Anthem Data Breach

3

Rev. Dr. Jonathan B. Lee
Joins PBUCC as Philanthropy
Officer

Why I Give – and Serve

Economic Leverage for Social
Transformation

4

Foreign Medical Care
Vision Benefit Plan

Make the Most of Your Health
Plan Benefits

Have You Checked Your
Credit Reports Lately?

Upcoming Member Education
Webinar



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The Pension Boards

United Church of Christ, Inc.

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Thank You!



Grace and Peace to
you in this Season of
Pentecost!

I enjoy reading
commencement
addresses, and
have quoted
from them
in the past.

Just recently, I came across actor Denzel
Washington's address at UCC-related
Dillard University, in which he reminds
the 260 graduates of the Class of 2015 to
"Put God First."

Mr. Washington shared a poignant personal
testimony of his faith journey, encouraged the
graduates to dream big and to fail big, charged
them to work hard and focus on goals each
day, and concluded with the following:

*"...I pray that you put your slippers way
under the bed tonight so that when you wake
up in the morning you have to get on your
knees to reach them. And while you're down
there, say 'Thank you!' for grace...mercy...
understanding...wisdom...love...parents...
kindness...humility...peace. Say thank you in
advance for what's already yours...True desire*

*in the heart for anything good is God's proof
to you sent beforehand to indicate to you that
it's yours already."*

This is my forty-fifth article for *Annuitant
News & Views* – and my last. My successor,
Brian R. Bodager (see the article below), will
begin on July 1, following General Synod.
It has been a privilege and honor to serve
our beloved UCC for more than 30 years in
governance or leadership roles – the past 13+
years at the Pension Boards.

I have been on site at hundreds of local
churches in 49 states, and have met
thousands of clergy and lay leaders. Where
improvements, innovation, and excellence
have occurred, I thank extraordinary staff
that have supported me. Where I have missed
the mark, I humbly ask your forgiveness.

In all instances, you have enriched my life.
I give thanks to you and to our God who
makes all things possible.

Yours in Christ,

Michael A. Downs
President/CEO

Brian R. Bodager to Become PBUCC President/CEO



Brian R. Bodager, a
banking executive
and attorney, has
been named the next
President and Chief
Executive Officer of
The Pension Boards-
United Church
of Christ, Inc.
(PBUCC), effective

July 1, 2015. He succeeds Michael A.
Downs, who will conclude his service to the
Pension Boards following General Synod 30.

The announcement, made at the March 27-
28 meeting of PBUCC's Board of Trustees,
concludes a 15-month long national search.
"We are very grateful that our efforts
brought forth such a talented new CEO,"
said Trustee George L. Ochs, who chaired
the Search Committee.

Mr. Bodager, a long-time member of Union
Congregational United Church of Christ in
Green Bay, Wisconsin, brings to the Pension
Boards more than three decades of financial,
banking, and legal experience.

(cont'd. on p. 3)

Solid Start Extended

David A. Klassen, Chief Investment Officer

Equity and fixed-income markets extended a solid first three months of the year into the second quarter of 2015 with favorable results, despite increased volatility. Early-year concerns about global growth were overcome by positive impacts from global monetary stimulus, especially European Central Bank efforts to jump-start the Eurozone through their version of quantitative easing. The Federal Reserve made attempts to move in a different direction, toward more normal (higher) interest rates. This divergent monetary policy, and growth outlook, caused strength of the U.S. dollar versus global currencies, particularly the euro, throughout the first quarter. As the calendar progressed into spring, these trends in currencies and commodities took a brief pause and consolidated some of the considerable gains of the past half-year.

As for equities, U.S. large companies, as represented by the Standard & Poor's (S&P) 500 stock index, rose 0.95% for the quarter. Earnings estimates for 2015 generally fell early in the year, partly as competitiveness eroded due to a stronger dollar, but seem to have stabilized. Smaller companies (as represented by the Russell 2000 index) are more domestically-focused and fared better, returning 4.32% for the quarter. The international developed equity markets index (EAFE) performed best early in the year, up 4.88% for the period. Emerging market equities (MSCI EM) were also positive for the quarter, returning 2.24%.

U.S. investor allocations internationally would have had even higher results but for the impact of translating returns in weaker currencies (euro, yen) back into the strong dollar. As of this writing, gains in most equity markets have also continued into the second quarter.

As for the fixed-income world, U.S. treasuries and high-quality corporate bonds led the way as yields fell and prices rose. One positive for these securities had been that inflation expectations have been reduced, partly due to lower energy prices. Additionally, low European yields and a rising dollar made low U.S. yields attractive to global investors. Other fixed-income markets rebounded as well, as more credit-oriented sectors such as high-yield bonds rebounded late in the quarter, which has continued recently. However, interest rates have risen more recently, taking away some early year gains in government bonds like U.S. treasuries.

The Pension Boards' Equity and Participating Annuity Funds have meaningful equity allocations to the U.S., and the managers we hire on your behalf benefitted from the positive market performance. However, we have remained diversified globally, as relatively-strong growth in the U.S. is offset by less-attractive valuations here and higher potential opportunities appearing elsewhere in the world. We increased our exposure to European and Japanese markets during the first quarter, which

continues to help as we move toward the end of the second quarter.

In the Bond Fund, which is also part of the Pension Boards' balanced funds, our core fixed-income manager benefitted from the early year outperformance of U.S.-oriented fixed-income investments, but as mentioned, positive price action has eroded some recently. However, a prudent diversification strategy into the areas of bank loans and high yield has continued to work well year-to-date.

As 2015 continues to unfold, market participants will be watching to see if the slow but steady economic improvement continues in the U.S. as monetary support is withdrawn and if Europe shows some sign of a rebound, as their accommodative policy ramps up. Some emerging economies have adjusted to fast-changing global growth patterns and investor sentiment, meaning that selectivity remains vital. Finally, it appears that the pace and volatility of interest rate increases has again picked up, and we will continue to adjust our strategies accordingly.

We continue to work hard on your behalf in 2015 in all aspects of the Pension Boards' investment program and we thank you for your continued confidence.



Anthem Data Breach

What You Need to Know

Anthem, Inc., a Blue Cross Blue Shield plan that offers health coverage in a number of states, recently experienced a large data breach.

UCC Medical Plan participants or their covered dependents may have received medical services at some time in an Anthem service area during the last 10 years.

If your data has been affected, you should receive letters in the mail, one from Highmark and one from Anthem, explaining that you and/or your affected family members are eligible for two years of free credit monitoring and identity theft protection services. Follow the directions outlined in the letters to register for those services.

Please note that you will be contacted by Highmark and Anthem only by U.S. Postal mail; ignore any communication regarding the data breach that arrives via e-mail, including links and attachments, as well as phone calls.

For more information, visit our website, www.pbucc.org.

Rev. Dr. Jonathan B. Lee Joins PBUCC as Philanthropy Officer

The Rev. Dr. Jonathan B. Lee joined the staff of the Pension Boards as Philanthropy Officer for the United Church Board for Ministerial Assistance (UCBMA) on March 9. In this role, he will promote charitable giving to support UCBMA's various assistance and educational ministries. He will also help develop materials for the annual Christmas Fund Offering.

Dr. Lee comes to the Pension Boards from Hartford Seminary in Hartford, Connecticut, where he was Director of Institutional Advancement for six years.

He previously served United Church of Christ congregations for 23 years, most recently as Senior Minister of Rocky Hill Congregational United Church of Christ in Rocky Hill, Connecticut.

"Jonathan is deeply committed to the mission and ministry of the United Church of Christ and brings a strong and creative energy to mission interpretation," said the Rev. Krista L. Betz, Director of Ministerial Assistance. "Philanthropy and stewardship are not just abstract concepts to him, but significant paths to



living out and making one's faith joyfully come alive."

For more information about Dr. Lee, visit <http://bit.ly/1GMLL57>.

Why I Give – and Serve

Rev. Dr. Jonathan B. Lee, Philanthropy Officer

Recently, a colleague reminded me of the fundraising adage that says that one is most likely to contribute when three factors fall into place: there is a capacity to give, an interest in the charitable mission, and the timing is right. That is certainly true for me – I've chosen to give to the Christmas Fund early on because my bank balance has said I can, because I've become quickly immersed and invested in the particular needs Ministerial Assistance addresses, and the timing has been right, as I've been lately filled with gratitude for the call to this particular work.

Apart from generosity with money, I think the adage holds true for when we

choose to serve others, too, whether in ministry, volunteering, or simple daily kindnesses. For me, I accepted the call to serve as Philanthropy Officer because I have the capacity, nurtured over a lifetime within the United Church of Christ, years of ministry in local congregations, and then more years in fundraising. I have interest because I know firsthand the demands and costs of leading and serving the church, regularly confirmed by my colleagues locally and beyond. And most definitely the timing is right: I could never have imagined this convergence of a pastor's life and a fundraiser's work, and in a church that is my home. But God's timing – and urging – is often as mysterious as it is inspiring.

For the sake of those whom Ministerial Assistance has and will continue to serve, my work is helping those in our wider church family to recognize their capacity and inspire their interest in assisting those among us in need – and to trust in God's timing to bring those together in acts of generosity toward this essential ministry. In your life, are capacity, interest, and timing converging right now, paving the way for you to give? We're at your service to find the way that's right for you. Please feel free to contact me at 1.212.729.2718, or at jlee@pbucc.org

Brian R. Bodager to Become PBUCC President/CEO (cont'd. from p. 1)

He was elected to PBUCC's Board of Trustees in 2003, and has served on the Actuarial, Executive, and Personnel Committees, and chaired the Eligibility and Enterprise Risk Management Committees.

"Brian Bodager brings to the Pension Boards executive management experience as

well as in-depth knowledge of our benefit programs," said Trustee Chair Dan J. Carwile. "As a UCC member and person familiar with the church, he will relate well with all our constituencies."

For more information about Mr. Bodager, visit <http://ow.ly/KZOGe>.

Economic Leverage for Social Transformation

The 2005 General Synod resolution "Concerning Use of Economic Leverage in Promoting Peace in the Middle East" calls upon the church to "make positive contributions to groups and partners committed to the non-violent resolution of the conflict." The Pension Boards is using economic leverage for social transformation through

its investment in Siraj Palestinian Fund LP.

Several Palestinian entrepreneurs have shared video testimonials about the impact of Siraj investments. To hear their stories, visit the Pension Boards' website (www.pbucc.org) or our Facebook page (<http://bit.ly/PB-UCC>).

Health & Wellness

Foreign Medical Care

Frank Loiacono, Director, Health Plan Operations

Participants in the UCC Medicare Supplement Plan with Rx 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 visit **www.bluecardworldwide.com**.

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 card 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**.



Vision Benefit Plan

If you missed the open enrollment period for the Vision Benefit Plan, there's still time to enroll. For an application, rates, and benefit information please visit our website, **www.pbucc.org**, or contact a Pension Boards Health Services Representative at **1.800.642.6543, ext. 2870**.

Make the Most of Your Health Plan Benefits

Participants in the UCC Medicare Supplement Plan with Rx have access to

a wealth of information on the Pension Boards website, as well as on the websites of the vendor/partners that administer our benefit plans. For information on preventive services, including annual check-ups, vaccinations, wellness education, and discounts on healthy lifestyle activities, please visit **www.pbucc.org**. Additional information is available by registering/visiting the following: **www.highmarkbcbs.com** and **www.achievesolutions.net/ucc**. If you have any questions, please contact a Pension Boards Health Services Representative at **1.800.642.6543, ext. 2870**.

Upcoming Member Education Webinar

July 8, 2015
UCC Health Plan in 2016

Member Education webinars on a variety of benefits topics are offered at Noon (ET) on the second Wednesday of every month. Webinar recordings are also available on the Member Education section of the Pension Boards' website at **http://bit.ly/PB_MbrEd**.

Watch your e-mail for registration information in the weeks ahead, or check the Member Education webinar schedule at **http://bit.ly/PB_MbrEd**.

Have You Checked Your Credit Reports Lately?



You are entitled to free credit reports from Experian, Transunion, and Equifax every 12 months. Review your credit reports to help catch indications of identity theft and errors. To get your free credit report, visit **www.annualcreditreport.com** or call **1.877.322.8228** toll-free. You do not need to provide your credit card information.