



EMPLOYEE

NEWS & VIEWS

OPERATING AT THE
INTERSECTION OF
FAITH AND FINANCE

A Quarterly Update from the Pension Boards

Summer 2017

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A Message from the President/CEO



As I write this, staff of the Pension Boards-United Church of Christ (PBUCC) have just returned from General Synod 31.

This was my first Synod as President and CEO, and as a member of the United Church of Christ (UCC) Board. The experience helped me appreciate the many ways in which the UCC is ministering in local churches, in communities, in Conference and National settings, and in ecumenical and interfaith contexts. It was a pleasure to meet many of you in Baltimore. Thank you for visiting our booth in the exhibit hall, for taking part in our daily educational presentations, and for your comments on how we can serve you more effectively. Please visit us on Facebook (@pensionboardsucc) and Twitter (@pensionboards) to see our photos, videos, and presentations from General Synod.

The Benefits Committee of our Board of Trustees recently announced UCC Medical and Dental Benefits Plan rates and enhancements for 2018 (see p. 4). Initial information was sent to Plan participants and employers in late June. Please watch for more

detailed rate information in the mail later this Summer.

In previous issues of *Employee News & Views*, I shared the exciting news about our \$1 million grant from the Lilly Endowment's *National Initiative to Address Economic Challenges Facing Pastoral Leaders*, to launch a five-year **Ministers' Financial Vitality Initiative (MFVI)** for authorized UCC clergy from historically underrepresented groups. The Rev. Darrell L. Goodwin, Pastor of Liberation United Church of Christ and Everett United Church of Christ, in Seattle and Everett, Washington, respectively, has been named MFVI's Program Director. The curriculum is being finalized, application forms are nearing completion, and we expect the program to be up and running in the Fall of 2017. More information will be posted on the Pension Boards website (www.pbucc.org).

Thank you for your continued support, and for the opportunity to serve you.

Best regards,

Brian R. Bodager
President/CEO

The Pension Boards

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Faith and Finance in Motion: Sustainable Investing

David A. Klassen, Chief Investment Officer

At General Synod 31, we provided attendees with updates on the Pension Boards' strong commitment to leadership in faith and finance in the Annuity Plan for the United Church of Christ:

- » We are part of a growing movement of investors focused on sustainability.
- » Faith and finance covers all aspects of the Annuity Plan.
- » Faith and finance means no sacrifice in returns.

Assets that consider ESG (environmental, social, and governance) criteria total \$6 trillion in the U.S. alone. Historically, negatively-screened assets were included in this category, and PBUCC's new screen eliminating coal and tar sands investments is an example of how we participate in this way.

However, increasingly sophisticated tools now allow investment managers to select investments for positive ESG attributes versus peers. This "best in class" approach, part of our Investment Policy Statement since 2014, may help our investment managers select an

investment with a better record in areas of human rights and environmental stewardship, or for their commitment to a diverse and highly functioning board of directors.

How does PBUCC oversee these investments through a faith and finance lens? Equity and Bond investment managers are accountable for performance versus indexes and peers, and also for sustainability industry standards such as the United Nations Principles for Responsible Investment (UNPRI). UNPRI signatories such as Blackrock, Neuberger Berman, and Dodge and Cox agree to incorporate an ESG focus in their analysis.

For Annuity Plan members in the accumulation phase, there is now a dedicated equity choice. The Northern Trust Global Sustainability Index Fund is a mutual fund offering that selects securities based on ESG performance versus their peers, while also investing in both U.S. and international securities. This "best in class" approach continues to appeal to investors looking for performance and sustainability.

Our fixed-income investments in sustainable bonds, which currently total over \$142 million, fund renewable energy and other sustainability initiatives at companies like Apple and Starbucks. These market-based return investments are part of all funds invested in fixed-income securities, including the Balanced Fund, Stable Value Fund, and the Target Annuity Date (TAD) Funds.

Finally, we reaffirm our commitment to both return and sustainability. The Department of Labor guidance in 2015 made it clear that fiduciaries may incorporate "ESG-related tools, metrics, and analyses to evaluate an investment's risk or return." PBUCC believes that ESG is the link between corporate responsibility and long-term sustainable investment performance. Continuing to refine and report on those metrics, as well as returns, is our ongoing pledge to you.



PBUCC Report on Climate Change Presented at General Synod 31

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

For more than 20 years, PBUCC has been actively involved in supporting the efforts of the Interfaith Center on Corporate Responsibility (ICCR) to address climate change through shareholder engagement with fossil fuel companies. Prior to, and following the passage of, the *Resolution Urging Divestment – Along with Other Strategies – from Fossil Fuel Companies to Address Climate Change* by General Synod 29 (2013), PBUCC stepped up its campaign to address this important and morally urgent issue. At General Synod 31, PBUCC presented its second comprehensive report on steps taken to address climate change.

Several key, momentous events related to these efforts have recently taken place. Of the 283 total shareholder resolutions filed with publicly-traded companies by ICCR members, 104 specifically addressed climate-related topics. Two of these resolutions have passed and signal support by the financial community, as well as by faith-based and values-based investors, for radical action on climate.

Resolutions passed at the shareholder meetings of Exxon Oil (62%) and Occidental Oil (67%) revealed consensus that an increase in global warming of just two degrees (Celsius) creates substantial and systematic risks. The resolutions affirm that the energy transition under way creates attractive investment opportunities, such as PBUCC's \$142.6 million investment in sustainable bonds.

Sister Patricia Daly, O.P., Executive Director of the Tri-State Coalition for Responsible Investment, stated, "The vote at Exxon was a landmark win for ICCR members and all concerned shareholders who stand on the shoulders of 20 years of faith advocacy to raise the business and ethical case for action on climate change..."

The Exxon and Occidental resolutions also act as a counterweight to the Administration's decision to withdraw the U.S. from the Paris climate accord.

According to Wood MacKenzie, a global energy, chemicals, renewables, metals and mining research and consultancy group, "Energy companies should therefore expect continued movement toward a low-carbon economy, regardless of U.S. participation in the Paris Agreement, and take appropriate steps to prepare."

In faithfulness to our Church's calls for action and to the moral imperative of our Faith and Finance policy, PBUCC remains steadfast in its commitment to address climate change through multiple strategies. Shareholder engagement has shown effective, measurable, and demonstrable evidence of innovative social justice action leading to change "at the intersection of Faith and Finance."

For more information, please contact: Rick Walters, rwalters@pbucc.org. The report presented to General Synod 31 is available at www.pbucc.org.



Praise and Thanksgiving!

Rev. Krista L. Betz, Director, Ministerial Assistance

We are pleased to report that through the generosity of many churches and individuals across our United Church of Christ, **\$1,562,259.92** was given to the Christmas Fund for Veterans of the Cross and the Emergency Fund in 2016.

A special word of sincere gratitude to the two congregations that gave the largest gifts:

- » **Naples UCC in Naples, Florida**, gave \$29,598, and
- » **Rock Spring Congregational UCC in Arlington, Virginia**, gave \$10,086.

We also acknowledge the generosity of the two congregations that contributed the most per capita:

- » **Lahuioikalani Ka'anapali Congregational UCC, Lahaina, Hawai'i**, gave an amazing \$400 per member, and
- » **Plymouth Congregational UCC in Chillicothe, Illinois**, gave \$200 per member.

The Christmas Fund provides direct financial support to UCC clergy and lay church employees – both active and retired – who face financial difficulties. For some, it's a one-time emergency grant that helps bridge a gap and avoid further debt as they cover unexpected medical bills or home repair due to a natural disaster. For others, it's supplemental income to help manage living on the financial margins after years of service to the church. It is a privilege to work with these servants in their time of need, and a blessing to have been given the resources to make such a positive impact in their lives. Read some of their words of thanks:

"Thank you for your lovely good wishes and wonderful Veterans of the Cross gift check. This year you have taken a great load of concern from me by making it possible to pay most of my Medicare charges for the year. Can you hear the sigh of relief? Thank you all for remembering."

"I want to extend my deepest gratitude for the gift that I received from the Christmas Fund. Your greeting indicated that it

comes from the hundreds of congregations and thousands of individuals who have contributed to the Christmas Fund, as I well know. Prior to my retirement, I had always encouraged the congregations that I served to participate in this annual 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 at times to make ends meet. Little did I know back then, that I would be a beneficiary of their kindness further down the road."

Thank you to **every individual** and **every church** that contributed to the Christmas Fund in 2016. Every gift helps bring the light of Christ into the hearts and homes of our United Church of Christ clergy and lay employees who are facing difficult circumstances. Praise and thanksgiving for our support of one another!



Generations of Service Campaign Leadership Committee

Rev. Dr. Jonathan B. Lee, Philanthropy Officer

As the **Generations of Service: Faith and Finance in Action** \$20 million capital campaign builds momentum, we wish to identify the members of the Campaign Leadership Committee who are hard at work to tell the story of the United Church Board for Ministerial Assistance (UCBMA) and its programs of direct assistance and sustainable ministry and leadership.

Ms. Marguerite Boslaugh	Simsbury, Connecticut	Mr. John Kropf	Orrville, Ohio
Rev. Dr. Geneva Butz	Philadelphia, Pennsylvania	Rev. Elena P. Larssen	Long Beach, California
Rev. Dr. Sarah S. Butter	Wellesley, MA	Rev. Dr. Charles E. Mize	Glenview, Illinois
Mr. Dan J. Carwile	Evansville, Indiana	Rev. Dr. James Moos	Cleveland, Ohio
Rev. Dr. Sheldon Culver	Highland, Illinois	Mr. George L. Ochs	Thousand Oaks, California
Rev. William R. Cunitz	Portland, Oregon	Rev. Mark Pettis	Manhattan Beach, California
Mr. Michael A. Downs	Naples, Florida	Rev. Franz Rigert	Cedarburg, Wisconsin
Rev. Dr. Rodney Franklin	Birmingham, Alabama	Ms. Susan Sanders	Cleveland, Ohio
Rev. Tom Fujita	'Aiea, Hawai'i	Rev. Dr. Dawson B. Taylor	Naples, Florida
Rev. Dr. Laurinda Hafner	Coral Gables, Florida	Rev. Dr. Bernard R. Wilson	Norfield, Connecticut
Rev. Dr. Charles Hambrick-Stowe	Ridgefield, Connecticut	Mr. Lawrence Yunaska	Cleveland, Ohio
Rev. Dr. Jane Heckles	Claremont, California		



Frank Loiacono, Director, Health Plan Operations

Healthy Stewards Wellness Rewards

Congratulations to the UCC Non-Medicare Health Plan participants and their covered spouses/partners who have participated in 2017 Healthy Rewards activities! Reward checks for activities that have been completed and confirmed on your online Rewards Program “Hooray” page from April 1 through June 30 will be issued in mid-August. (Note: The website will not recognize completion of the Coaching or Health Screening rewards until the Wellness Profile is complete.)

Contact **Highmark Member Service at 1.866.763.9471** for all technical rewards-related questions. If you need additional assistance, please contact a **Pension Boards Health Services Representative at 1.800.642.6543, ext. 2870.**

August is Children's Eye Health and Safety Month

Could your child be struggling with an undiagnosed vision problem that is affecting their learning? August is **Children's Eye Health and Safety Month**. Participants in the UCC Vision Benefits Plan and their dependents are eligible for preventive eye exams under the schedule of benefits.

Contact **VSP at 1.800.877.7195** or visit **www.vsp.com** to verify eligible service dates for your next examination. You can also locate an optometrist or ophthalmologist to schedule a back-to-school comprehensive vision exam.

Mental Health, Behavioral Health, and Substance Use Disorder Claims

If you received mental health, behavioral health, or substance use disorder services through Beacon/ValueOptions during the 2016 calendar year and have not yet submitted a claim, don't delay. Claims for reimbursement of services must be submitted no later than one year from the date of service to be considered for payment. If you are unsure how to submit a claim, or if you need a claim form for 2016 services, please contact a **Pension Boards Health Services Representative at 1.800.642.6543, ext. 2870.**

As of January 1, 2017, inpatient and outpatient mental health, behavioral health, and substance use disorder services are administered through Highmark Blue Cross Blue Shield. In-network providers may be found online by visiting **www.highmarkbcbcs.com**, or by calling **Highmark Member Service at 1.866.763.9471.**

2018 Health Plan Rates and Enhancements

The Benefits Committee of the Board of Trustees of the Pension Boards has approved the following rate action for the 2018 Plan Year, beginning January 1, 2018:

- » Non-Medicare Health Benefit Plan: 7% increase
- » Dental 750 and 1800 Benefit Plan: no change
- » Vision Benefit Plan: no change

In addition, the following plan enhancements were approved by the Benefits Committee:

- » Full coverage for abortions (effective May 15, 2017)
- » Applied Behavioral Analysis added to Autism Spectrum Disorder Services (effective January 1, 2018)

All participants in the Non-Medicare Plan and their respective employers will receive a letter with more detailed information in late Summer. If you have any questions about the rate increase or benefit enhancements, please contact a **Health Services Representative at 1.800.642.6543, ext. 2870.**

Turning 65 in 2017?

If you are currently enrolled in the UCC Non-Medicare Health Plan and are turning 65 this year, congratulations! Please be on the lookout for a letter from the Pension Boards approximately three months prior to your 65th birthday. The letter will contain important instructions related to transitioning to the UCC Medicare Supplement Plan. If you have any questions about the transition to Medicare, please contact a **Health Services Representative at 1.800.642.6543, ext. 2870.**

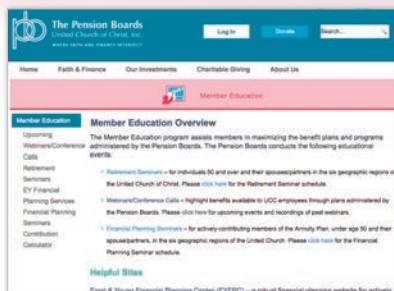
Upcoming Events

August 17
EYFPS Webinar* - Planning for Health Care in Retirement

September 21
EYFPS Webinar* - Open Enrollment: Making Smart Decisions

*EYFPS webinars (for actively-contributing members of the Annuity Plan) are available at <https://pbucc.eyfpc.com>.

A New PBUC Website



The Pension Boards is unveiling a new website, with a fresh new look and streamlined navigation. The site has been redesigned to provide you, our members, with the highest standards of service and ease of access to the information you need most.

A new feature of the website is a collection of icons that represent significant areas of the Pensions Boards' work to help you find information and resources more easily.

The redesigned homepage also features a calculator that allows you to determine your allowable personal contributions to the Tax-Sheltered Annuity, which can help add to your retirement savings.

The homepage also includes links to current Pension Boards' news, information on Ernst & Young Financial Planning Services, and other Pension Boards' plans and programs.

Visit us at **www.pbucc.org** – and watch for additional enhancements, which will be rolled out in the coming months.