

2007 Update * Board of Pensions PC (USA) * (800)773-7752

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Community Nature of the Benefits Plan

The Board of Pensions of the Presbyterian Church (U.S.A.) as the Plan administrator is the corporate embodiment of the Christian sense of community in caring for church workers. In this biblical based understanding of community, members' needs are a shared responsibility and are met based on the abilities and resources of all members and church. The community nature of the Plan carries with it the expectation that all participating churches and employing organizations will responsibly contribute their prorated share of funding the Plan for the benefit of the entire community.

“For just as the body is one and has many members, and all the members of one body, though many, are one body, so it is with Christ...God has so arranged the body...that there may be no dissension within the body, but the members may have the same care for one another. If one member suffers, all suffer with it; if one member is honored, all rejoice together with it”. I Cor. 12:12,24-26 NRSV

CHURCH WIDE MEDIAN SALARIES (Used in Determine Minimum Pension Credits Accrued)

| | 2008 | 2007 |
|----------------|----------|----------|
| Ordained | \$49,000 | \$47,900 |
| Exempt Lay | 36,300 | 35,000 |
| Non-Exempt Lay | 26,800 | 26,000 |

REMINDER! TIMELY Reporting of Member Salaries Ensures Prompt Benefits (pensions benefits, death benefits and accurate monthly invoicing)

GOOD EXPERIENCE APPORTIONMENTS: 2000: 9% 2004: 2% 2006: 3.6%
2001: 3% 2005: 3% 2007: 3.7%

Result??? A **24.7% INCREASE** in Pension Checks and Pension Credits from 2000-2007!! The Board of Pensions Defined Benefits Plan is quite unique in this “Apportionment” feature.

Plan for Your Financial Future!!

The cost of living in retirement (food, shelter, travel & other activities) are now spread over an average of nearly 20 years of retirement. Funds required to support these needs, however, take a lifetime to earn. A disciplined saving strategy leveraging tax-deferred saving in the Retirement Savings Plan, a 403(b)(9) plan, can help ensure adequate funds for retirement. The Pension Plan and Social Security are key sources of retirement income, but relying only on these sources could result in falling short of meeting retirement goals. Even covered by both the Pension Plan and Social Security additional funds may be needed for large expenses, such as buying a home or paying entrance fees at a retirement home.

The Retirement Savings Plan, a 403(b)(9) plan offers the opportunity for supplemental saving most clergy and other church workers need. The 403(b)(9) plan, offered through Fidelity Investments lets participants create a supplemental retirement saving account funded by pre-tax dollars, thus reducing taxable income. Distributions from the Retirement Saving Plan are also eligible for treatment as housing allowance and may receive favorable tax treatment. To enroll in the Retirement Savings Plan or increase contributions, visit www.fidelity.com/atwork or call Fidelity Investments at 800-343-0860 today.

Want \$100 free? Participate in the Preventive Incentive Initiative

To encourage broader participation in preventive care, the Board of Pensions has expanded its Preventive Incentive initiative, inviting all active Plan members age 50 and older, and active member-spouses age 50 and older, to join the 2007-2008 Preventive Incentive. Under this unique program, qualified members and spouses will receive \$100 incentive for completing a preventive health examination and age appropriate medical test and screenings by December 31, 2008.

As the program unfolds, we welcome feedback and suggestions for improvement sent to memberservices@pensions.org, or call 1-800-773-7752. Depending on the success of the Preventive Incentive, the Board will consider expanding the program to other Plan members in the future. For more information, visit the Board of Pensions website at www.pensions.org/preventiveincentive

Thinking about Retiring?? Take a look at the Suggested Retirement Timetable

2 Years before retirement, you may want to:

- Contact your Regional Service Team at the Board of Pensions for your pension projections, information about working after retirement, supplemental medical coverage, etc.

1 Year before retirement or age 64, you may want to:

- Visit the Social Security office for information about retirement & survivor benefits, Medicare, etc.
- Become familiar with Medicare Part B

4-6 Months before retirement, you may want to:

- Contact your Executive/General Presbyter, or COM Chair regarding implementation of your retirement process
- Decide on the exact date of your retirement
- Obtain a retirement packet from the Board of Pensions
- Complete a retirement application with Social Security

3 Months before retirement, you may want to:

- Consult with your EP, and COM Chair about your retirement date, vacation benefits, and presbytery meetings to request approval for retirement. Your session will need time to plan recognition for your retirement and related arrangements
- Mail retirement papers to the Board of Pension

DON'T FORGET!!! PRE-CERTIFICATION 7-10 days BEFORE scheduled medical testing or treatment IS REQUIRED FOR MRI, MRA, CAT, PET or SPECT scans as well as all **NON-emergency hospitalization for medical or surgical treatment, including maternity. *In emergency situations, seek nearest help immediately!!* We request notification be made to Smart Choices, a service of CareAllies (formerly Intracorp) within 48 hours of emergency scans, tests, or hospitalizations. **Call Smart Choices at (800) 237-3015.****

Pre-certification is also required for Mental Health/Substance Abuse in-patient treatment or hospitalization. Call CIGNA Behavioral Health, (866) 640-2772 to pre-certify.

**YOUR REGIONAL SERVICE TEAM IS AVAILABLE TO ASSIST YOU Monday-Friday 8:30am-7:00pm ET
1-800-773-7752**

“Serious effort has been made to ensure the facts presented here are accurate and up-to-date. In an event of a conflict with the official Plan or Benefits Plan provisions, however, current official Plan documents, rates and rules will apply.”

Updated -11/07 - HL