



April 18, 2018

Dear presbyteries, local churches, and Benefits Plan members:

The Benefits Plan of the Presbyterian Church (U.S.A.) provides that if the Board of Pensions proposes to amend the Pension Plan to reduce benefits, General Assembly approval is required and notice must be provided to plan members, local churches, and presbyteries at least 60 days in advance of the Assembly. The Board has **not** adopted any such Benefits Plan amendment or any other amendment that would require approval of the 223rd General Assembly (2018). The Board's [report](#) to the General Assembly is available on [pensions.org](#).

This year has started on a very exciting note, with January 2018 showing a 19 percent increase in active members, the first substantial growth of members in a generation. The Benefits Plan that went live January 1, 2017, was the result of a discernment and listening process that began in 2014. It made the plan more flexible through menu options while honoring the commitment to our ministers. Menu options allow congregations and other employers to select which benefits to offer based on their resources, and employees to elect benefits based on their needs.

Since the start of 2015, the Board has focused on reducing dues for members and congregations. Seminarian medical dues have been reduced by approximately 40 percent. Stand-alone death and disability dues were cut by 29 percent. Beginning July 1, 2018, **Pathways to Renewal** will cut dues for qualifying small congregations and innovative ministries from 37 percent to 19.75 percent of effective salary. For 2019, the cost for supplemental death benefits coverage will be reduced by 15 percent.

Direct costs for members were also lowered. Average investment fees charged by Fidelity to account holders in the Retirement Savings Plan of the Presbyterian Church (U.S.A.) have dropped 28 percent over the last five years. Call to Health participation lowers medical deductibles by up to one-third for our members. Over 5,000 members qualified for this annual savings in 2017.

Expansion of programs has also benefited members. Hearing aids were added to the PPO health plan, providing up to \$2,500 per covered member every three years. Healthy Pastors, Healthy Congregations was piloted in North Carolina and is slated for nationwide rollout in 2019, with each participating minister eligible for up to \$10,000 in financial aid. The Board has increased educational debt relief for ministers from \$10,000 to \$25,000. Our Education Department invites every newly ordained member to Presbyterian CREDO, and in 2018 we added preretirement CREDO conferences.

Experience apportionments over the last five years have increased pension benefits by a cumulative 18.4 percent!

The Board continues to ask how we may serve more, serve better, and serve the Church. The Board continues to look at improvements to the plan, to make it even more affordable and more inclusive without giving up any of the quality the Board is known for. This report to General Assembly shows the Board's commitment to the values of the Church, and how the Board continues to offer more choices and flexibility so more employers may cover more people through the Benefits Plan of the Presbyterian Church (U.S.A.).

Sincerely,

A handwritten signature in black ink, appearing to read 'John W. Hamm'.

John W. Hamm
Chair, Board of Directors

A handwritten signature in black ink, appearing to read 'Frank Clark Spencer'.

The Reverend Frank Clark Spencer
President