A Meaningful Difference?

Much of what occupies our minds here at RBI is serving our churches and church staff to mitigate against risk. Whether it is life insurance, disability insurance or retirement savings, it is all about wise stewardship of your resources to mitigate risk. At the writing of this article, Houston is still recovering from the devastation hurricane Harvey brought and Florida and Georgia are beginning to assess the damage Irma has caused. As a kid who spent a lot of my early years in Florida, I am acutely aware of the potential risks hurricanes bring. Our prayers and support are with all of our partners who have been impacted by these devastating storms.

These recent weather systems have also served to reinforce the message delivered at our 45th General Assembly in Greensboro, NC. During my floor presentation I shared with...
you that as of late I have been asking the question, “Is the ministry of RBI under my leadership making any meaningful difference to the spiritual life and vitality of those RBI serves?” As I turned 65, celebrated eleven years as President of RBI, and see the ever increasing financial needs met by the Ministerial Relief fund with each passing year, this question is on my mind more and more. We are not where I desire us to be. In my address to the Assembly I highlighted four possible measures for us to evaluate how successful we have been in “making any meaningful difference.” They were:

1. That presbyteries in the PCA consistently act in agreement with BCO 20-6 stating that all PCA pastors are free from “worldly cares and avocations.”

2. That no PCA-employee-dependent family ever experience financial devastation because of an absence of primary benefit coverages, such as term life insurance and long term disability insurance.

3. That we become a denomination that attends to the employment decisions made by seminarians, so they are poised for success and not lured into eventual poverty by deceptive salaries or inadequate call packages.

4. That our compassion for widows of deceased teaching elders would result in all PCA churches participating in the annual Ministerial Relief offering.

Now, RBI alone cannot achieve these four items. With retirement quickly approaching for so many baby boomers, our time to act is now. But as hard as RBI might try to achieve these hopes on our own, we cannot meaningfully move the needle to address the challenges before us without significant help from every servant-leader in our denomination. It will only be as you, pastor, invite us in to help structure a call package for a new assistant or associate pastor that change will come. It will only be as you, ruling elder, invite us in to help you understand
what benefits you, as an employer, should provide for all your employees that change will come. It will only be as you, deacon, invite us in to help raise awareness of the needs of the widows of our PCA pastors and missionaries and have your church participate in the Ministerial Relief offering that change will come. It is only as you, credential committee members, hold the churches in your presbytery to the BCO 20-6’s standard that all PCA pastors be free from “worldly cares and avocations” that change will come. Only then will we see the families of our ministers protected from the financial risk of disability or death at a young age. Only then will we see churches mitigating against financial risk for their pastor and his family today as well as in the future. Only then will we see more than 30% of our churches participate annually in giving to the Ministerial Relief Fund, thus mitigating the risk of our destitute widows. Invite us into these conversations. Invite us into these discussions. Invite us into these moments that we might serve you by providing for and protecting your church staff. Invite us into these relationships that we might assist you in doing the work of the church. Invite us in…

— Gary Campbell, President of RBI
“For they gave according to their means, as I can testify, and beyond their means, of their own accord, begging us earnestly for the favor of taking part in the relief of the saints—and this, not as we expected, but they gave themselves first to the Lord and then by the will of God to us. But as you excel in everything—in faith, in speech, in knowledge, in all earnestness, and in our love for you—see that you excel in this act of grace also.”

— 2 Cor 8:4-7

Ministerial Relief was created by our PCA Founding Fathers to care for the widows of PCA pastors and missionaries. They knew this would be necessary because many of the pastors who left the PCUSA forfeited their pensions to follow the Lord’s leading in beginning the PCA. Despite this, they answered the call of the Lord by saying, “here I am, send me.” Since most of our churches in the PCA are small, for many, starting all over again to save enough for retirement was very difficult.

As these baby boomers are entering retirement, the need for the PCA Widows’ Fund has grown. Based on the PCA Retirement Readiness study by PricewaterhouseCoopers, we had 800+ retired pastors in 2011. By the year 2035 that number will grow to 2,400. The survey indicated 98% of those pastors were married, which accounts for approximately 2,350 wives in retirement. PricewaterhouseCoopers actuaries told us 78% of U.S. wives will outlive their husbands. This will mean 1,800 widows of PCA Teaching Elders, which is more than we have ever had before.

The study also told us we will go from serving 30 widows in 2011 to 130 by 2035. Today we serve more than those initial 30 individuals. The current level of awards necessary annually to meet those widows’ and disabled pastors’ needs is $400,000. Projections indicate this will rise to over $5 million a year. On an individual basis, this means, without your assistance, our widows must decide each month how much to pay for food, utilities, or needed medications.

As you can see, the need is great. Ministerial Relief is funded solely through donations from our churches and individuals.
This gives us the opportunity, as it did those early Christians, to “excel in this act of giving.” It is an opportunity to demonstrate the working of the Lord in our hearts and lives just like the Macedonian Christians Paul commends in 2 Corinthians 8.

We are honored to be a conduit for our churches to provide for our denomination’s pastoral widows and disabled ministers. Please consider joining us in our mission to ensure these individuals are cared for financially. We see an increase in the number of widows and disabled ministers with financial needs on the horizon, and we know that we will not be able to meet those needs without your gracious generosity.

If your church does not currently participate in the PCA Ministerial Relief Fund Offering, would you ask them to take part? Would you consider making a personal gift to these needs? They are real, they are critical, and they are growing.

— Bob Clarke & Vickie Poole

“as you excel in everything—in faith, in speech, in knowledge, in all earnestness, and in our love for you—see that you excel in this act of grace also.”

— 2 Cor 8:7b
The phone rang in the middle of the night. “Pastor?” a voice on the other end asked. “They just took Ted by ambulance to the hospital. I’m in the car now following them.” “I will be right there Gail,” he replied interrupting her next sentence. She sighed heavily as she pushed the button on her phone. She needed to concentrate on driving, but it was hard. The “what ifs” were already beginning to creep in.

Every day, across our denomination, phone calls such as this take place. Maybe you have been someone who has needed to make this type of call to your pastor. You called because you needed him to be there. You called because you knew he would be there. And he came.

Our pastors have stood faithfully, shoulder to shoulder with us at the bedside of our loved ones, offering their emotional and spiritual support. They have preached funerals and faithfully preached the Word of God on Sunday mornings. Often his wife has played a significant role in the life and ministry of the church. Perhaps she has been involved in things like teaching Sunday school year after year in the children’s ministry or playing the piano for all services. Our pastors and their wives have given sacrificially of themselves to serve Jesus by serving you.

Now they need your support. They need you to give to the Ministerial Relief Fund to help them in their time of need. The PCA Ministerial Relief fund is designed to let you serve them.

Serving our widows:
Your financial assistance provides food, medicine, and, in some cases, heat or air conditioning for their residences. These funds provide a quality of life in their waning days they would not have otherwise. The widows you help have incomes near or below the poverty level. Currently we support 17 widows for a total of $269,244 annually.
Disabled pastors: These pastors have been removed from an active life and ministry by an infirmity that makes them physically unable to serve. Some are bedridden or wheelchair bound. These transitions are challenging both emotionally and physically. Knowing someone cares helps ease the emotional and financial burdens they experience. We currently support 6 disabled pastors for a total $76,500 annually.

Retired pastors and their wives: This group is comprised of pastors and their wives who served in small churches where saving for retirement was difficult. A serious medical condition or other adversity quickly depleted their savings and they now struggle affording the basic needs of life. We support 9 retired pastors and their wives for a total of $108,120 annually.

The current cost to assist these servants in need is $453,864 annually. You can readily see how greatly these funds are needed. And as our Baby Boomers retire, the cost will continue to rise.

Behind every check we mail, there is a face with a story. These are the stories we seek to tell you. Often when reading the applications submitted to us, we find ourselves in tears for the servants and their journeys. Asking for money is not something they want to do, but they have no other place to turn. When they turn to us, they are turning to you. Your gift makes it possible for their needs to be met.

Now that you know where your gift goes, won’t you consider giving? You may give a one-time gift, or you may feel led to give monthly. Either way your contributions are greatly appreciated. We have online giving for your convenience at www.pcadonate.com. Checks should be made out and mailed to:

PCA Ministerial Relief
1700 N. Brown Rd STE 106
Lawrenceville GA 30043

Thank you for meeting the needs of our brothers and sisters in Christ.
— Bob Clarke & Vickie Poole, PCA Ministerial Relief
From the time of the Reformation until about 1800, life expectancy in Europe averaged less than 40 years of age. By 1900, it had increased to 49. In God’s gracious providence, with the advent of modern medicine, immunizations, sanitation, water purification, and better nutrition, life expectancy in the United States has now increased significantly. Today, though life expectancy is 85.8 for a 65 year old male, and 87.8 for a 65 year old female, there is a 50% probability that one member of a 65 year old married couple will live to age 92!

That’s amazing! But it’s also frightening when we consider what it means for retirement planning.

It means that our retirement savings may have to provide income that will last for 25-30 years, or more! As you can see, one of the greatest risks that we face in retirement is longevity risk – the risk of outliving our savings and other assets.

Longevity risk is avoidable if you save enough. But most of us have not saved enough. Many may already be planning to work longer, continue saving, delay Social Security until age 70, and perhaps ‘down-size’ our lifestyle in retirement to compensate for our lack of sufficient savings. So, for most of us, longevity risk is not only unavoidable, it is a significant threat to our wellbeing later in retirement.

Significant risks that are not preventable, or are too costly to bear ourselves, are usually insured. We insure our homes and cars against property and casualty risks, and we insure our lives when we have family members who are counting on our future earnings to pay the bills. But can we insure against longevity risk? Most of us have some guaranteed income for life from Social Security benefits. But what if that amount of income alone is not sufficient later in life? Can we guarantee a life-long income stream from retirement savings? Is that possible?

Well, actually, it is.

The income uncertainty associated with living too long can be eliminated by purchasing an insurance product called an annuity. Annuities convert savings into a stream of income. They are purchased by transferring a lump-sum amount of money to an
insurance company. In turn, the company then promises to provide the purchaser with a small guaranteed income payment for life, beginning either immediately, or deferred to some later date.

But in general, annuities are problematic. They do share, or ‘pool,’ longevity risk, but they are very complex legal agreements and are almost impossible to contractually escape. They pay notoriously high commission rates, possess high fees, low rates of return, minimal payments, surrender charges, and ‘tie-up’ savings for life. And, over time, purchasing power is reduced as level monthly payments are consumed by inflation. Though ‘riders’ can be added which remedy some of the above problems, they too are costly.

Not every type of annuity, however, suffers from all of these difficulties. In 2012, in an effort to encourage retirement plan sponsors to offer lifetime income options, the IRS began to publish regulations that created a new type of advanced-life deferred annuity known as a Qualified Longevity Annuity Contract (QLAC). A QLAC is essentially longevity insurance, and operates much like a reverse life insurance policy. Instead of paying-off if you die, it actually pays-off if you or your spouse live a long life!

And it’s substantially cheaper than a conventional annuity. As an institutional retirement plan offering, huge commissions can be avoided. And, a QLAC guaranteeing income for life after age 85 (though a reduced amount of income can be received earlier if necessary) might require only roughly 15-20% of your retirement savings at age 65, thus leaving the remaining 80%+/- under your control to be invested and paid out as monthly income for a known period of time (until age 85). This means that you might actually be able to increase your retirement income during your earlier retirement years. QLACs are very interesting products indeed.

A QLAC is not a panacea, nor a product for everyone. But like other retirement plan sponsors and financial planners around the country, the Investment Committee of PCA Retirement & Benefits, Inc. is taking a hard look at these annuity contracts. We hope to conclude our analysis soon and will report our findings to all PCA Retirement Plan participants in a future publication. Stay tuned!

— Dave Anderegg
We are approaching the end of 2017 and the start of the New Year is right around the corner. Both periods may have items that require some action on your part. We are providing four lists applying to both PCA organizations (e.g. Business Administrators, Treasurers, and Payroll Processors) and participants. Please review the lists (2017 and early 2018) and determine if any of the action items apply to you.

We purposely made these lists brief, but we welcome the opportunity to share additional detail. Please contact us via phone at (800)789-8765 if you have any questions. We would enjoy elaborating on any of the items below.

**2017 Churches**

1. **Approve Housing Allowance Annually**: Approve a housing allowance resolution for all the ministers on your staff. You can find housing allowance worksheets and housing allowance resolutions within the 2017 PCA Call Package Guidelines.

2. **Perform an Annual Compensation Review**: Review your compensation (e.g. salaries, benefits and time off) for your employees on staff. If your church has a fixed stipend for insurance, has medical inflation risen enough to increase the amount of the insurance stipend? Address other questions by reviewing the 2017 PCA Call Package Guidelines.

3. **Be aware of PCA Benefits Open Enrollment Period**: The annual open enrollment on Life Insurance, Vision and Dental begins on November 1, 2017 and lasts through December 8, 2017. Existing coverage will continue unless changes are made.

4. **Provide Updated Salary Figures for RBI**: Any Salary/Housing changes should be sent to RBI. This figure is important for determining eligible contributions to the PCA Retirement Plan, premiums for the LTD plan, as well as death benefit compliance with the PCA Life Insurance Plans. RBI will remind you to update this information with a form sent in December 2017 to employers.
5. **Add Employer-Provided Life Insurance Tax:** Federal law requires that the imputed cost of employer-provided group term life insurance in excess of $50,000, or dependent coverage if it exceeds $2,000, be reported as taxable income. Employers providing life insurance for their employees likely have a tax liability that they will need to add to their employees’ W-2 form as taxable compensation. Please review our memo titled “Potential Tax Liability for Those Covered by PCA Life Insurance Plans” for more information.

6. **Send RBI Employment Updates:** Ensure all employees are receiving the benefits afforded to them by your ministry, including benefits available to employees who have separated from service. Contact us to verify all eligible employees are enrolled and notify us of all separation of employment dates for 2017. Be sure to include a description of the change (i.e. retired, terminated, etc.) in your notification of their separation of employment.

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**2017 Participants**

1. **Open Enrollment for Individual Medical Insurance:**
   Open enrollment for individual health insurance begins on November 1, 2017 and ends on December 15, 2017. You will be able to enroll or change your coverage. Contact your health insurance agent or visit [www.healthcare.gov](http://www.healthcare.gov) for more information.

2. **RBI Benefits Open Enrollment:** The annual open enrollment on Life Insurance, Long Term Disability, Vision and Dental begins on November 1, 2017 and lasts through December 8, 2017. RBI will send out a notice to all eligible employees reminding them of their options. Call RBI if you have additional questions about our Open Enrollment.

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**2018 Churches**

1. **Review Federal and State Reporting Requirements (coming in January):** RBI provides an electronic copy of *Church Reporting Made Easy*. This guide is designed for church administrators, treasurers and bookkeepers and provides tax code requirements that affect your church. Review the document and make sure your church or related-organization is compliant with regulations and legislation.

**2018 Participants**

1. **Review Ministers’ Taxes Made Easy:** Annually, RBI provides a tax guide, titled *Ministers’ Taxes made Easy*, written by Dan Busby, CPA, J. Michael Martin, JD, and John Van Drunen, CPA & JD. This guide is designed to help ministers and Tax Preparers file taxes for ministers.
One of the privileges I’ve had while serving as your President at PCA Retirement & Benefits, Inc. (RBI) has been the opportunity to develop very special relationships with RBI Board members. One of those relationships was with a brother in Christ and very close friend, Ken McCarty.

Ken served on the RBI Board of Directors with distinction for six years as the Chairman of the Audit Committee and member of the Investment Committee and Ministerial Relief Committee. Ken’s contribution to our work led to improvements in our compliance and oversight of participant assets during this period. Ken loved the church and those who worked in ministry vocations. He understood that the work he did with RBI had a direct relationship to the ultimate well-being of those who serve the church.

I met Ken McCarty in the midst of a crisis involving the family of an RUF campus minister. Rod Mays, the Coordinator of RUF at the time, asked me to intercede with support from RBI’s Ministerial Relief Fund. Representing this family’s home church was Ruling Elder Ken McCarty. During my phone conference with Ken it didn’t take long to recognize his excellent accounting skills and a heartfelt compassion for hurting people. As it turned out, Ken’s professional background was perfect for service on RBIs Board of Directors and when asked to serve, he gladly agreed.

Almost one year ago, I received a call from Ken informing me that he’d just been diagnosed with a very serious form of

MISSING OUR DEAR FRIEND!

Kenneth J. McCarty, CPA

A co-laborer in ministering to the servants of the Gospel in the PCA

Ruling Elder Ken McCarty was a man who poured his life into others until the very end and grew in his love for Jesus throughout the journey.

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Almost one year ago, I received a call from Ken informing me that he’d just been diagnosed with a very serious form of
49 Remember your word to your servant, in which you have made me hope. 50 This is my comfort in my affliction, that your promise gives me life. — Psalm 119:48-52 (ESV)

leukemia. My heart sank. Based on my own experience with leukemia, I knew Ken’s life was in jeopardy. What I was unprepared for was the incredible gift Ken gave to those who walked with him in his cancer treatment journey. I discovered a man who poured his life into others until the very end and grew in his love for Jesus throughout the journey.

Ken went home to be with the Lord on July 18th, 2017. While I know some-day we will embrace once again, I still miss him. That is a good thing… because it frequently reminds me that God is the author of relationships and through them we grow in our relationship with Him and He receives great glory! Ken is survived by his wife, Karen, and sons, David and Stephen. Please pray that God would be their comfort during this time of grief.

— Gary Campbell
If you participate in the PCA group insurance programs, Annual Enrollment is the time to review and adjust supplemental and voluntary (employee-elected) life insurance plans or make changes to PCA Dental and Vision elections. It is also an appropriate time to ensure that your beneficiary elections are up to date. From an employer perspective, it is the time to communicate compensation updates and make insurance plan choices for calendar year 2018.

**EMPLOYEES**

If you have PCA Group Insurance, to review insurance information, log into your PCA group insurance account at [www.smartben.com](http://www.smartben.com). You may make selections within SmartBen to add or change supplemental or voluntary coverage if your employer participates in the PCA group life insurance program.

**EMPLOYERS**

Review your monthly invoice from RBI and consider any compensation changes that need to be communicated. This is also the time to make any benefit program changes to dental or vision group insurance programs, which run on a calendar year, or to revise group life or long-term disability programs for pastors, teachers and staff. RBI personnel will be happy to assist you in making any changes.

Call 800-789-8765 or view the website at [www.pcarbi.org](http://www.pcarbi.org) for more information.
What to know about Annual Enrollment

If you have no changes to your existing PCA group insurance, you do not need to log-in; your current PCA benefit elections will continue through 2018 with no re-enrollment needed. If you do want to make changes to your insurance coverage, then you must do so at www.smartben.com during the Insurance Annual Enrollment window in November and early December. The PCA Life Insurance policy allows those who are current PCA Enhanced Life participants to increase their existing coverage by $10,000 each year during Annual Enrollment with no SOH required. The yearly increase is only available to those who are currently enrolled below the Medical Underwriting (Guaranteed Issue or GI) level of $100,000. Note: any new coverage elected during Annual Enrollment will be effective 1/1/2018 unless Medical Evidence of Insurability (MEOI) is in process. Coverage requiring MEOI will be effective on the first of the month following the approval by MetLife. If your employer offers PCA Dental or PCA Vision, you may change participation between the Basic and Enhanced plans or type of family coverage (single, married, family, etc.) during Annual Enrollment as well. — Chet Lilly 🌟
Online Retirement Plan Remittance Contributions

There is a better way to remit (pay) PCA Retirement Plan contributions. While most of our organizations are remitting retirement contributions using a paper form and check process, we wish to remind church and school treasurers, administrators and billing contacts that you may remit PCA Retirement Plan contributions securely and efficiently online using the vendor Stewardship Technology and their Electronic Giving System network. We would like organizations of all sizes to consider the new, interactive online remittance system.

We worked with our vendor to pre-load PCA organizations and employees into the system, but every new organization must first register. To sign up for the first-time use, please visit this link: www.pcapay.org/register.php

Once signed up, you may visit: www.pcapay.org to login or schedule future payments.

Once you begin using the system, we hope you will find it to be more efficient and timely as payments are received and processed each day.

If you have any questions or comments please contact: retirement@pcanet.org or 800-789-8765.

— Chet Lilly 🎉