

December 11, 2020

Dear Friend:

We hope this finds you well during these challenging times. We are pleased to let you know that The Church Pension Fund Board of Trustees (CPF Board) has approved an annual 1.3% cost-of-living adjustment (COLA) to your monthly pension benefit, effective January 1, 2021. (Please note, if a cleric retired during 2020, the increase is prorated.)

Although not required to do so by plan rules, the CPF Board has generally granted a COLA when inflation has justified it and the financial condition of The Church Pension Fund Clergy Pension Plan has allowed for it. While we make our own judgments regarding COLAs, it has been our practice to look to the U.S. Bureau of Labor Statistics' Consumer Price Index as a benchmark to guide our thinking on inflation. Many other organizations, such as the U.S. Social Security Administration (SSA), look to this index when making decisions about COLAs. In October, the SSA announced a COLA of 1.3%.¹

Also, to assist retired clergy and their spouses with the rising cost of healthcare, the CPF Board recently approved a 2021 subsidy increase of \$20 per eligible member per month for the Medicare Supplement Health Plans and/or dental plans available through The Episcopal Church Medical Trust.² The full monthly subsidy for 2021 is \$400.

Retired clergy enrolled in Medicare with 20 or more years of Credited Service, as such term is defined under The Church Pension Fund Clergy Post-Retirement Medical Assistance Plan, and their eligible spouses will receive the full subsidy. Those with 10 to 19 years of Credited Service will receive a partial subsidy. Please visit cpg.org/medicare_supplement for details. If you have any questions, please call us at (866) 802-6333.

As we continue to navigate the challenges of the coronavirus pandemic, we also wish to remind you of the resources available to you in our COVID-19 Resource Center at cpg.org/COVID19.

We are fortunate to serve those who serve the Church and are grateful to be able to enhance your benefits. We wish you a continued blessed Advent season.

Please stay safe, well, and in touch.

Faithfully,



The Rt. Rev. Thomas J. Brown
Chair
The Church Pension Fund Board of Trustees



Mary Kate Wold
CEO and President
The Church Pension Fun

¹ For further details, please visit cpg.org/COLA.

² The Church Pension Fund (CPF) currently offers a post-retirement health subsidy to eligible clergy and spouses. However, CPF is required to maintain sufficient liquidity and assets to pay its pension and other benefit plan obligations. Given uncertain financial markets and their impact on assets, CPF has reserved the right, at its discretion, to modify or discontinue providing a post-retirement health subsidy at any time.