

# Is My Money Safe?

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Some of the anxiety may be because so many people refer to the RCA Retirement Plan as a pension plan. You may have heard stories of companies who have raided or not fully funded their pension plans, leaving retirees with little or no savings to retire on. This is not the case with the RCA Retirement Plan. The RCA Retirement Plan is a deferred compensation plan. The dollar amount shown on a participant's statement from Fidelity represents the amount actually in that account as of the effective date of the statement.

If a participant is no longer employed by an Employer (as defined in the plan document—typically assemblies, institutions, or agencies of the RCA), or, in the case of an ordained minister, if they demit from the office of Minister of Word and Sacrament or transfer their ordination outside the RCA, then BOBS must initiate distributions to the participant per their original Distribution Election form immediately. This is so, regardless of why employment ended or demission occurred, including affiliation with another denomination. In addition, BOBS is a separate entity from the GSC. The assets of BOBS stay with BOBS, and the rights, responsibilities, and fiduciary obligations of BOBS to implement the terms and conditions of the plan remain with BOBS (again, as provided in the plan document). The plan document also speaks about the funds:

- The funds contributed to participants' accounts are held by BOBS in separate accounts for the benefit of the participants.
- Because the plan is characterized as a deferred compensation plan:
  - The funds are characterized as assets of BOBS until distributed to the participant. The assets are not assets of the General Synod or GSC.

- The plan assets are characterized as being part of the general, unpledged, unrestricted assets of the board, subject to claims of the creditors of the Employer (the corporations of the RCA, and the assemblies, institutions or agencies of the RCA, excluding the Regional Synod of Canada and any of its churches, related agencies and institutions) and the RCA and BOBS.
- While funds are subject to the claims of the general creditors of each Employer and the RCA and BOBS, in many instances, it may be difficult for any creditor of that employer to establish what portion of the participants' accounts could be levied to satisfy a claim that is made.

The plan document also speaks about what it would take to terminate the plan and what would happen to the funds if the plan was terminated.

- It is the intention of the BOBS' board to continue the plan indefinitely.
- The plan can be terminated in its entirety, but only if the BOBS' board acts to do so AND the General Synod approves the board's actions.
- If the plan would be terminated, the credited amounts in each participant's account would be paid to the participant for whom the account exists.

Finally, each summer, we continue to offer the reallocation program that allows eligible participants to "transfer" their money from the RCA Retirement Plan, to the RCA 403(b) program.

**Visit this site if you are interested in participating:**

[www.rca.org/benefits/retirement/reallocation](http://www.rca.org/benefits/retirement/reallocation)

