

# 2009 BENEFITS INFORMATION

## CLERGY RETIREMENT SECURITY PROGRAM (CRSP) AND COMPREHENSIVE PROTECTION PLAN (CPP)

The Clergy Retirement Security Program (CRSP) provides pension benefits for clergy, and CPP provides death and disability benefits for clergy.

**2009 Denomination Average Compensation (DAC) = \$58,226**

**2009 Conference Average Compensation (CAC) = \$52,731**

Participation is specified below:

Clergy Status	CRSP Participation		CPP Participation	
	Yes	No	Yes	No
Full Time - Full Member, Probationary Member Associate Member, Deacon, Local Pastor	X		X	
Part Time - Full Member, Probationary Member, Associate Member, Deacon	X		3/4 or 1/2 appointment	Less than 1/2 appointment
Part Time Local Pastor, Student Local Pastor	X			X
Retired Members		X		X
District Superintendent Assignments		X		X

The church pays the CRSP contribution and CPP contribution for their pastor. Contributions are based on a percentage of the pastor's compensation and housing.

### CRSP CALCULATIONS

**Defined Benefit (DB)**                      **10.4%** of Plan Compensation up to \$87,339  
Maximum DB = \$9,083.26 (\$87,339 x 10.4%)

**Defined Contribution (DC)**                      **3.0%** of Plan Compensation  
No Cap

### CPP CALCULATIONS

**Full Time – 3.0%** of Plan Compensation up to 200% of DAC  
**Part Time - 3.4%** of DAC (\$1,979.68)

The following examples show how the CRSP and CPP contribution amounts are calculated.

Example 1: Full-time clergy is paid \$40,000 in total salary plus a housing allowance of \$8,000.

Example 2: Full-time clergy is paid \$50,000 in total salary and lives in a parsonage.

		Example 1	Example 2
<b>A</b>	Cash Salary	<b>\$40,000</b>	<b>\$50,000</b>
<b>B</b>	Parsonage Factor (25% of line .A)	<b>N/A</b>	<b>\$12,500</b>
<b>C</b>	If church does not own parsonage, enter Housing Allowance	<b>\$8,000</b>	<b>N/A</b>
<b>D</b>	Plan Compensation (Line A + B + C)	<b>\$48,000</b>	<b>\$62,500</b>
<b>E</b>	<b>DB – Defined Benefit Calculation</b> If line D is less than \$87,339, multiply line D by .104 (10.4%)	<b>\$4,992</b>	<b>\$6500</b>
<b>F</b>	If line D is <b>\$87,339</b> or more, enter <b>\$9083.26</b> in total column)	<b>N/A</b>	<b>N/A</b>
<b>G</b>	<b>DC – Defined Contribution Calculation</b> Multiply line D by .03 (3%)	<b>\$1,440</b>	<b>\$1,875</b>
<b>H</b>	<b>TOTAL CRSP Add lines E thru G</b>	<b>\$6,432</b>	<b>\$8,375</b>
<b>M</b>	<b>CPP Contribution</b> Multiply D by 3%, or \$3,493.56, whichever is less Less than full-time members, CPP = \$1,979.68	<b>\$1,440</b>	<b>\$1,875</b>

## UNITED METHODIST PERSONAL INVESTMENT PLAN CONTRIBUTIONS (UMPIP)

The United Methodist Personal Investment Plan (UMPIP) is designed to provide one piece of the overall retirement portfolio for eligible clergypersons and lay employees of the United Methodist Church and affiliated organizations.

UMPIP is a "church plan" as defined in sections 414(e) and 403(b) of the Internal Revenue Code (Code) and administered by the General Board of Pension and Health Benefits of the United Methodist Church (General Board).

It is recognized that CRSP will not completely care for all the financial needs of a retired pastor – social security and personal savings are needed also. Although participation is voluntary, **there is an expectation that the active pastor will make a personal contribution to his/her retirement savings.** The United Methodist Church Personal Investment Plan (UMPIP) is designed to complement CRSP and is a way to enhance retirement benefits through personal savings. Contributions may be made using before-tax or after-tax dollars, or both.

Required forms are the Salary Reduction Agreement and the Billing Form. For copies of the forms, contact Carol Jackson at 1-800-745-2350, 684-0266 in the Wichita calling area, or go to the KWC website.

## GROUP HEALTH and DENTAL INSURANCE

As of January 1, 2008, major medical and prescription drug insurance for pastors and lay employees were offered through HealthFlex, a denominational plan offered through the General Board of Pension and Health Benefits of The United Methodist Church. Dental coverage is provided through either Blue Cross & Blue Shield of Kansas.

Rates for 2009 will be determined in early October. For budgeting purposes, churches can assume the industry trend increase of 8-10%.

Participation in funding the health plan will be required by churches with the following appointed clergy:

1. Appointed full-time or 3/4-time to a local church:
  - a. Elder in full connection [338.1, 338.2]
  - b. Associate member [366.2]
  - c. Probationary member on elder track [326.2]
  - d. Ordained clergy from another annual conference or other Methodist denomination [346.1]
  - e. Ordained clergy from another denomination [346.2, 346.3, 338.2]
  - f. Local pastor [318.1, 318.2]
  - g. Deacon in full connection [331.1c, 331.7]
  - h. Probationary member on deacon track [326.1]
  - i. Deacon in full connection from other conference or other Methodist denomination [331.8]

Churches with DSAs (District Superintendent Assignment) will need to sponsor HealthFlex if the DSA wishes to be covered. Contact the conference office if you desire to pursue this option.

## CAFETERIA PLAN/FLEXIBLE SPENDING ACCOUNT (FSA)

Effective January 1, 2008, flexible spending accounts were available through HealthFlex.

Medical Expense Minimum Contribution	\$300
Medical Expense Maximum Contribution	\$5,000

Dependent Care Minimum Contribution	\$300
Dependent Care Maximum Contribution	\$5,000

## LONG-TERM CARE INSURANCE

Long-term care insurance is intended to complement a participant's health care plan by providing benefits for extended care for persons with chronic illnesses or injuries that Medicare and a participant's health care plan are not typically designed to cover.

The General Board of Pension and Health Benefits (GBOPHB) offers a group long-term care insurance plan with **John Hancock Life Insurance Company** underwriting the plan.

### Who is eligible?

You are eligible for the GBOPHB plan if you are:

1. an active clergy or lay employee participating in any General Board of Pension and Health Benefit plan (e.g. CRSP, HealthFlex or UMPIP) and working at least 20 hours per week,
2. a retiree, or
3. a relative (as defined by the plan) of these eligible participants and retirees.

Eligible active clergy and lay employees, retirees and their family members can apply for the John Hancock Group Long-Term Care Insurance Plan at any time. Persons not enrolling during their initial 60 days of eligibility must provide evidence of insurability by submitting the necessary enrollment forms located in the enrollment kit. Newly-hired eligible or newly-eligible actively-at-work clergy or lay will be automatically accepted for coverage regardless of their health status if they enroll within **60 days** of first becoming eligible for this plan. **Note: Eligibility begins as of the date one is enrolled in a General Board plan (pension, retirement savings, death/disability or health insurance).**

If you are interested in more information or would like to request an enrollment kit, you should call John Hancock at 1-800-222-6905 or visit the Long-Term Care Website at <http://gbophb.jhancock.com> (username: **gbophb**; password: **mybenefit**).