

2019 EXAMPLE OF HOW TO CALCULATE APPROXIMATE CRSP PENSION COST TO CHURCH & PASTOR

with 2019 new Defined Benefit (DB) figure

NOTE: Pension Benefits do not apply for less than 50% Total Appointment and the following Conference Relationships: Lay (LM) Supply (SY), Coordinating Pastor (CP), and Retired (RE). Also, if status is Sabbatical Leave or Medical Leave without disability approval.

FIRST: Calculate Plan Compensation

Use **2019 cash salary** + housing allowance **OR**

If you have a parsonage: Take **25%** of the cash salary to figure parsonage value and add that to cash salary.

This amount = Plan Compensation Figure⁴

Example: (when parsonage provided)

\$40,000 cash salary X 25% = \$10,000 parsonage value. Now add \$10,000 + \$40,000 = **\$50,000** which becomes your **plan compensation figure**.

SECOND: Calculate Pension Amount

You take plan compensation figure, multiply by 7%

(4% for Death & Disability Plan (D&D)⁵ and 3% for DC³),

add **\$5,728 DB²** per Full Time Employee ¹ = Pension Amount.

Use correct **Defined Benefit (DB) amount;** (Full Time appointment DB = \$5,728) (¾ Time appointment DB = \$4,296) (½ Time appointment DB = \$2,864) (¼ Time appointment DB = \$1,432)

Example: using figures from above example

\$50,000 Plan Compensation Figure x 7% = \$3,500 + \$5,728 = **\$9,228 Annual Pension amount for Full Time Appointment using the above information.**

(Part time is prorated by % of appointment, in quarter time increments .75%, .50%, .25%)

FOR LESS THAN FULL TIME:

Part Time Local Pastor (PL), Full Member of another denomination (OF-MOD), Student Local Pastor (SLP) (¾ OR ½ TIME APPOINTMENTS PLEASE USE (3% for DC NOT 7%).

For less than ½ time appointment please see below**

Example: Half Time (½) Appointment with Parsonage, using \$20,000 cash salary and 25% Parsonage Value PV

\$20,000 cash salary X 25% PV = \$25,000 Plan Compensation Figure x 3% DC (Less than FT LP) = \$750 + \$2,864 (½ DB) = **\$3,614 Annual Pension amount for Half Time Local Pastor**

****For Less than 50% appointments:** 2012 General Conference Legislation no longer allows CRSP for less than ½ Time appointment. The Conference Board of Pension strongly encourages local churches with Clergy appointed less than 50% to support these clergy pensions with an amount equal to at least ten percent (10%) of these pastors' salaries through the United Methodist Personal Investment Plan (UMPIP).

Contact Wespath Benefits & Investments regarding UMPIP contributions at 800 851 2201.

IF THE CHURCH USES ACH (Automated Clearing House)

******* Incentive of 8% reduction to total amount is given *******

Example: Using figures for Full Time Appointment 8% x \$9,228 = \$738 discount \$9,228 - \$738.00 discount = \$8,490

¹FTE (FULL TIME EMPLOYEE, IF THE PASTOR IS ½ TIME THEN YOU WOULD USE ½ OF THIS FIGURE, & ¾ similarly)

²DB (DEFINED BENEFIT PORTION OF THE CLERGY PENSION PLAN, THIS FIGURE IS PROVIDED TO US EACH YEAR BY WESPATh BENEFITS & INVESTMENTS);DC (DEFINED CONTRIBUTION)2019

⁴DOLLAR AMOUNT USED BY THE GENERAL BOARD TO DETERMINE PENSION BASIS

⁵DEATH & DISABILITY COVERAGE (D&D) FOR CLERGY & SPOUSES Includes the CLERGY PROTECTION PLAN (CPP) and UNUM LIFE & LONG TERM DISABILITY (less than full time Local Pastors, Full Member of another denomination and Student Local Pastor are not eligible for CPP)

**2019
HEALTH INSURANCE**

**Health Insurance Local Church Share 2019 *Blended Rate*
(Includes Dental)**

**\$18,996 Annual Blended Rate
\$1,583.00 Monthly**

**Incentive Amount If Using Automatic Clearing House (ACH)
ACH Forms to be returned to Conference Office, Accounts Receivable**

**\$17,928 Annual Blended Rate
\$1,494 Monthly**

**2019
Pastor's Share**

(Insurance Premium Co-payment and Benefit Stabilization Fund contribution of \$50 per month)

Monthly Co-pay

Tiers	B1000	High Deductible Health Plan (HDHP) 2000
Participant	\$295	\$170
Participant + one	\$295	\$ 50
Family	\$295	\$ 0 *

* Additional \$5 per month contributed into Health Savings Account (HSA)

OR

If Pastor and eligible Spouse completes the WebMD Health Quotient (HQ) health risk assessment online
***** *Incentive of \$50.00 reduction to monthly Co-Pay amount is given* *****

Monthly Co-pay with Health Quotient (HQ) Discount

Tiers	B1000	High Deductible Health Plan (HDHP) 2000
Participant	\$245	\$120
Participant + one	\$245	\$ 0
Family	\$245	\$ 0 **

**Additional \$55 per month contributed into Health Savings Account (HSA)

