

INSTRUCTIONS FOR COMPLETING THE 2011 PENSION WORKSHEET

Please follow these instructions for completing your 2011 Pension Worksheet.

Appointment Percentage

Please provide the total appointment percentage (Full Time, $\frac{3}{4}$ time, $\frac{1}{2}$ time, or $\frac{1}{4}$ time) in the space provided.



Please note that the appointment percentage should include all churches the pastor is appointed to and receiving compensation from. Any pastor with a DUAL APPOINTMENT (Example: Appointed to a local UMC $\frac{1}{2}$ time and serving as District Ministries Coordinator $\frac{1}{2}$ time) should contact the Conference Treasurer's office to be sure the pension record is accurately maintained.

Waiver of Participation check box

Check this box ONLY if the pastor is appointed less than full time to this charge AND he/she has already submitted a Waiver of Participation form to JoAnna Cafferty in the Treasurer's Office. Clergy appointed to less than full time appointments have the option to waive participation in the Clergy Retirement Security Program (CRSP). An official GBOPHB Waiver of Participation form must be signed by and notarized for the pastor. A waiver is effective the first of the month after the date it was signed and notarized. There is a 60 day grace period for retroactive waivers. For more information regarding waiving participation in the clergy pension, please contact the Conference Treasurer's office.



A pastor who has waived participation in the clergy pension plans can still participate in the UMPIP.

Pastor's Cash Income

The Pastor's Cash Income section is used to calculate your PLAN COMPENSATION. **Line 1** is the total **annual salary**. This is the amount of salary that is paid to you from the local church, including any **housing exclusion** amount.

Line 2 includes all other **CASH ALLOWANCES** that are paid to you in addition to your salary that are not part of an accountable reimbursement plan. Cash allowances that fall in this category include, but are not limited to, nonvouchered travel, continuing education money not under an accountable plan, cash provided to cover health insurance premiums, etc.

Line 3 includes money paid directly to the pastor for **utilities**. Money paid directly to utility companies is not included on this line – only cash paid directly to the pastor. Effective January 1, 2010, all congregations with pastors living in church-owned parsonages are asked to begin paying utilities for the parsonage directly to the utilities company instead of through cash allowances to the pastor. Guidance on the details of doing this, including who this applies to, amounts, utilities categories, etc., can be found on the Conference Treasurer's Office website Downloads page.

Line 4 includes any cash **housing allowance** paid to the pastor. If the pastor is provided a parsonage instead of a cash housing allowance, then skip Line 4 and go to Line 5.

Line 5 = Add lines 1 through 4 to calculate a subtotal for line 5. If a parsonage is provided, multiply the subtotal on line 5 by 25% and enter that on line 6.

Final **PLAN COMPENSATION, Line 7**, is calculated by adding lines 5 and 6. This amount is the basis used in pension calculations as explained below.

Charge Portion (These items are considered expenses of the church(es))

The Charge Portion of the worksheet determines the amounts that the charge should pay for the Clergy Retirement Security Program (CRSP) and the Comprehensive Protection Plan (CPP).

Line 8 the **CRSP: Defined Contribution**, enter on line 8 on the Pension Worksheet 3% of the Plan Compensation calculated on Line 7.

Line 9 the **CRSP: Defined Benefit**, enter on line 9 on the Pension Worksheet 10.4% of the Plan Compensation calculated on line 7.

Line 10 the **Church's Portion of the Comprehensive Protection Plan (CPP-C) (Available for ALL FULL TIME APPOINTMENTS with compensation of at least 60% of the 2011 DAC $\{ \$61,716 \times 60\% = \$37,029.60 \}$)**, follow the

steps in that section to determine the correct amount. Step 1 provides the annual maximum limit. In Step 2, multiply the Plan Compensation from Line 7 by 2%. This number is compared with the maximum as shown in Step 1. If the amount you calculate based on your plan compensation is less than \$2,468.64, then enter that amount on line 10. If your amount is more, then enter \$2,468.64 on Line 10 as your total annual amount.

Pastor's Portion (These items are to be withheld from the pastor's monthly salary):

Line 11 the Pastor's Portion of the Comprehensive Protection Plan (CPP-P) (ALL FULL TIME APPOINTMENTS with compensation of at least 60% of the 2011 DAC { $\$61,716 \times 60\% = \$37,029.60$ }), follow the steps in that section to determine the correct amount. Step 1 provides the annual maximum limit. In Step 2, multiply the Plan Compensation from Line 7 by 1%. This number is compared with the maximum as shown in Step 1. If the amount you calculate based on your plan compensation is less than \$1,234.32, enter that amount on Line 11. If your amount is more, enter \$1,234.32 on Line 11 as your total annual amount.

Optional: United Methodist Personal Investment Plan

Line 12 the United Methodist Personal Investment Plan (UMPIP) section calculates the amount due for before and after-tax contributions to the UMPIP. The percentage or dollar amount elected using the *Contributions to the Personal Investment Plan* form will display here on the on-line system. For hard copy purposes, multiply your percentage by your Plan Compensation from Line 7 and enter that amount for the before and after-tax contributions. If you elect to contribute a set dollar amount, then enter that dollar amount. Add the **before and after-tax contributions** and enter the total amount on Line 12.



Please note that all pastors who are changing appointments and are contributing to the UMPIP should complete a new Contributions Agreement for all before and after-tax salary reductions that are made for the UMPIP. This form is available on the Conference Treasurer's Office website. The original, signed agreement should be kept with the church's records. A copy of this agreement with the new church may be sent either to the General Board of Pension (GBOPHB) at the address on the form or may be sent to the Treasurer's Office for entry into the GBOPHB records.

Optional: Ministers' Transition Fund

Line 13 the Ministers' Transition Fund (MTF) calculates the annual contribution to be withheld on an after-tax basis from the pastor's salary. The MTF was established to assist the minister to more easily make the transition from the active relationship in which a furnished parsonage has usually been provided to the retired relationship in which the minister provides his or her housing. This amount on Line 13 will be divided into equal monthly amounts and included on the NC Conference Pension billing.



This option is only available to those ministers already actively enrolled in the MTF. For more information about the benefits or enrollment in this Fund, contact JoAnna Cafferty at the information below. Completing this section DOES NOT enroll you in the MTF.

Other Information

At the bottom of the pension worksheet, please provide your total **Vouchered Travel and Utilities Allowances or Voucher Plan Limits**. This information is for Conference use only and does not enter into the pension computation in any way.

??? Questions or Comments ???

Contact JoAnna Cafferty in the Treasurer's Office

for help in completing the Pension Worksheet.

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