

2012 PENSION AND HEALTH INSURANCE INFORMATION

DATE: August 22, 2011
TO: North Texas Conference Churches
FROM: Jodi Smith, Director of Center for Connectional Resources/Treasurer
SUBJECT: 2012 Clergy Pension and Health Insurance Payments

PENSION

Clergy Retirement Security Plan (CRSP) pension must be paid by the local church for all full-time appointed elders, deacons, local pastors and probationary members. In addition, pension should be paid by the local church for part-time and less than full-time appointed elders and local pastors; however, less than full-time appointees have the option to waive participation in the pension plan. The appointee must have a notarized signature on an original waiver which must be mailed to the conference Center for Connectional Resources.

Although the actual amount due under CRSP cannot be determined until the pastoral compensation is set, the amount of the 2012 pension premium will be \$6,704 (the Defined Benefit portion) plus 3% of pension plan compensation (the Defined Contribution portion). Pension Plan Compensation is comprised of cash compensation (line 6 of the 2012 Ministerial Compensation Report) plus total housing (line 9). If a parsonage is provided, then the value of the housing to be added to the base compensation is 1.25 times the total of lines 6 and 8. The Defined Benefit portion is an increase of approximately 3.5% over the 2011 Defined Benefit amount, while the Defined Contribution portion will be based on the actual change in that individual's pension plan compensation.

HEALTH INSURANCE

The appointee's health insurance premium must be paid by the local church for all full-time appointed elders, deacons, probationary members and full-time local pastors. Part-time and student local pastors are not eligible for conference health insurance. The 2012 rates reflect a 3.1% increase over the 2011 health insurance rates (single - \$8,880; two-party - \$16,860; family \$21,288). Beginning in 2010, the conference BOPHB started spending down health insurance reserve by supplementing the premiums billed to the local churches. For 2010, that subsidy totaled \$300,000. For 2011, the subsidy totals \$200,000.