

BOARD OF PENSION AND HEALTH BENEFITS

Steve Curry, Chair

Most of our full-time active and retired clergy participate in a hybrid defined benefit (DB, or traditional pension)/Defined Contribution plan. Part-time clergies are participating in a Defined Contribution plan (UMPIP). Our plans were funded by the annual conference and are administered by Wespath Benefits and Investments (Wespath), formerly known as the General Board of Pension and Health Benefits.

The annual conference, this board, and their predecessors have been good stewards of the funds entrusted to us. As a result, the Tennessee-Western Kentucky Conference has pension reserves that should protect our retirees well into the future.

The 2025 Comprehensive Benefit Funding Plan for the Tennessee-Western Kentucky Conference will be prepared and submitted to Wespath as required by the *Book of Discipline* (2016), ¶1506.6. The Tennessee-Western Kentucky Conference direct bills to local churches and other entities covered by the pension and health plan. Pension billing amounts are based on clergy's Plan Compensation (Salary + Housing). After a thorough review of the financial status of the TWK pension funds and earnings, The Board of Pension and Health Benefits has approved a pension holiday for both 2024 and 2025.

For 2024:

Churches will be direct billed the following beginning April 1:

Full Time Clergy: **6 percent** of Plan Compensation (Cash Salary + Housing/Parsonage amount). This is the 3 percent Retirement and 3 percent for Death & Disability Insurance. This is a reduction of 7 percent from the current billing amount.

Part Time Clergy: **3 percent** of Plan Compensation (Cash Salary + Housing/Parsonage amount). This is applied to the clergy retirement plan. This is a reduction of 6 percent from the current billing amount.

Funds paid over the billed amount listed above will be credited to the churches account and will be applied to future direct billing for pension and insurance.

For 2025:

Churches will be direct billed the following:

Full Time Clergy: **7 percent** of Plan Compensation (Cash Salary + Housing/Parsonage amount). This is the 4 percent Retirement and 3 percent for Death & Disability Insurance.

Part Time Clergy: **4 percent** of Plan Compensation (Cash Salary + Housing/Parsonage amount). This is the 4 percent Retirement.

The 2025 Past Service Rate for Pre-82 Plan is \$802.

The BOPHB assists retirees to attend the Annual Conference by providing reimbursement of travel expenses for the days attending in person. The board has approved the reimbursement amount of up to \$300 per day with appropriate documentation (Mileage log, receipts, etc.)

The Board of Pension & Health Benefits also reimburses retirees for moving expenses incurred within a year of retirement for an amount of up to \$2500 with appropriate documentation.

The Board of Pensions and Health Benefits expresses its utmost appreciation to the staff for the services they provide to the clergy of our conference as well as all the assistance they provide board members. As a board, we could not accomplish all we do without the help we get from all the staff. Much thanks to Larry Davis, Melinda Parker, Alice Grunan, and Clare Wilson.

The Board of Pensions and Health Benefits also wants to congratulate Larry on his upcoming retirement. The Board is very fortunate to have experienced the leadership, knowledge, skills, and abilities of Larry in his role as Treasurer for the Tennessee Western Kentucky Conference. Larry has been tremendous in providing information, data, and history to the Board so that well-informed decisions could be made. Larry has made it much easier for the Board to responsibly

carry out its duties and responsibilities. Larry has served our Conference and our Board well. Larry, you will be missed for the person you are, the leadership you provide, and the Christianity you clearly exhibit. Larry, the Board thanks you and the Board appreciates all you have done and wishes you the best as you move forward in the next phase of your life.

Active Clergy Health Insurance

Wespath, through Healthflex Exchange, is opening medical insurance plan options for full-time clergy and their families, billing the annual conference at a blended rate. For churches with full-time clergy on the conference plan, premiums billed to the churches will reflect that blended rate in the form of a fixed premium credit. Each church will be billed the same amount of no more than \$16086 annually. The full-time clergy then choose the insurance plan that best fits their needs and pay the premium appropriate to their selection through a pre-tax salary reduction.

Dental and vision coverage remain optional, and those premiums may also be paid in full or in part through a pre-tax salary reduction. Through Healthflex Exchange, there are three dental and two vision plan options from which the clergy may choose.

The due date for submitting premium payments is the 25th of each month, and a two percent late fee will be added for payments received after the due date. Insurance may be subject to cancellation after 90 days of nonpayment.

**Part I
Active Clergy 2025 Insurance Premiums**

| Plan / Tier | Participant share (medical only) |
|-------------|-------------------------------------|
|-------------|-------------------------------------|

| Plan / Tier | Participant share (medical only) |
|----------------------------|-------------------------------------|
| B1000 w/ P1 | |
| Employee Only | \$252 |
| Employee and One Dependent | \$479 |
| Family | \$656 |
| CDHP/C2000 w/ P2 | |
| Employee Only | \$211 |
| Employee and One Dependent | \$401 |
| Family | \$549 |
| C3000 w/ P2 | |
| Employee Only | \$84 |
| Employee and One Dependent | \$160 |
| Family | \$218 |
| H2000 w/ P3 | |
| Employee Only | \$186 |
| Employee and One Dependent | \$355 |
| Family | \$485 |
| H2500 w/ P4 | |
| Employee Only | \$51 |
| Employee and One Dependent | \$97 |
| Family | \$132 |
| H5000 w/ P5 | |
| Employee Only | \$0 |
| Employee and One Dependent | \$0 |
| Family | \$0 |

| Dental Plan / Tier | Participant Cost |
|---------------------------|-------------------------|
| Passive PPO 2000 | |
| Participant | \$48 |
| Participant+1 | \$95 |
| Family | \$143 |
| Dental PPO | |
| Participant | \$40 |
| Participant+1 | \$78 |
| Family | \$118 |
| Dental HMO | |
| Participant | \$17 |
| Participant+1 | \$31 |
| Family | \$54 |
| | |
| Vision Plan / Tier | Participant Cost |
| Full Service | |
| Participant | \$9 |
| Participant+1 | \$14 |
| Family | \$22 |
| Premier | |
| Participant | \$15 |
| Participant+1 | \$25 |
| Family | \$40 |