

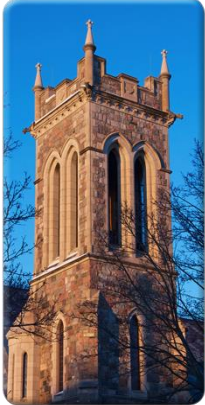


CHURCH
PENSION GROUP

A Century of Service
and Benefits for
the Episcopal Church



Session Three: Overview of Assessments and Interest in 2021



SummerSessions2020

Session Three Presenter

Client Services



Tobias Ruffin

Assistant Vice President, Client Services
Operations

Agenda

- **Compensation**
- **Total Assessable Compensation**
- **Employer-Provided Housing**
- **Billing and Interest**
- **Invoice**
- **Reporting Compensation**



Assessments on Compensation



**18% of Total Assessable
Compensation (TAC)**

Assessments on Compensation

TAC* = The annual sum of the following

1

Base salary (excluding housing) and scheduled taxable cash payments

2

Cash housing allowance and/or utilities

3

Employer contributions to a qualified or non-qualified plan

4

One-time payments (applies to month when paid)

5

Value of employer-provided housing, which equals 30% of the sum of 1 through 4 — or, if higher, 30% of the Hypothetical Minimum Compensation (HMC)**

*Any form of severance (including pay continuation following a termination of employment) should be excluded in all cases.

**Hypothetical Minimum Compensation is based on the Diocese.

Total Assessable Compensation (TAC) Example



The Rev. Marco Perez works for St. Mark's Episcopal Church. His compensation package provides him with a rectory, annual cash salary of \$10,000, and a one-time payment of \$100 in December. Below is a calculation of Father Perez's Total Assessable Compensation.

| | |
|--|-----------------|
| Cash | \$10,000 |
| One-time payment* | \$ 100 |
| Employer-provided housing ($0.30 \times 10,100$) | \$ 3,030 |
| Total Assessable Compensation | \$13,130 |

* Billed in December. The one-time payment is also added to the value of employer-provided housing only in December.

Assessments on Employer-Provided Housing



Cleric with Multiple Employers
Housing assessments no longer allocated between employers. Only the employer providing the housing will be assessed

Clergy whose only compensation is employer-provided housing
must now participate in the plan if regularly employed

Billing and Assessment of Interest



Responsibility

The employer or diocese is responsible to pay assessments based on Total Assessable Compensation to The Church Pension Fund. Assessment payments should be paid in a timely fashion



Billing

Assessments are due on the last day of each calendar month for which they are billed. The employer is required to pay 18% of 1/12 of the projected annual Total Assessable Compensation



Assessment of Interest

Beginning on January 1, 2021, we expect to begin charging interest on assessments that are three months or more overdue. The annual interest rate is expected to be 4%

Assessment Invoice



A The Church Pension Fund
(855) 215-5990
admin-assist@cpg.org

B Episcopal Church
Bill Type Clergy
C Client # 999-999-999
Total Amount Due \$ 4,995.000

EPISCOPAL CHURCH
ATTENTION SALLY SMITH
123 MAIN STREET
NEW YORK, NY 10016



Clergy Pension Assessment Bill

Please see cpg.org/billingmap for information about our new bill and how to submit compensation changes.

April 2018 Billing Statement
D Activity From 03/01/2018 Through 03/31/2018

| | | |
|--|----|------------|
| E Total Amount Due Last Statement | \$ | 6,300.00 |
| F Payments Received | \$ | (6,300.00) |
| G Administrative Adjustments | \$ | |
| H Balance Forward | \$ | 0.00 |
| I Adjustments Processed This Billing Period | \$ | 1,830.00 |
| J Current Assessment | \$ | 6,180.00 |
| K Total Amount Due on April 30, 2018 | \$ | 8,010.00 |

Please pay as billed. Any adjustments made will appear on the next assessment bill.

GRACE CHURCH
ATTENTION SALLY SMITH
123 MAIN STREET
NEW YORK, NY 10016

Please make checks payable to
Church Pension Fund

Remittance Stub

GRACE CHURCH
Due Date 04/30/2018
Client # 999-999-99
Total Amount Due \$ 8,010.00
Amount Enclosed \$

L THE CHURCH PENSION FUND
75 REMITTANCE DR
SUITE 6121
CHICAGO, IL 60675-6121



Please return this remittance stub with your payment

Assessment Invoice (cont'd)

Clergy Pension Assessment Bill

M Billing Detail – Retroactive Adjustments

| N Date Processed | Participant | O Change Type | P Period Adjusted | Q Adjusted Assessment |
|--|----------------|------------------------------|-------------------|-----------------------|
| 103/17/2017 | Bail, Jane | Retro Add - Compensation | Feb 2018 | \$ 1,125.00 |
| 12/17/2017 | Bail, Jane | Retro Add - Compensation | Mar 2018 | \$ 1,125.00 |
| 12/12/2017 | Mertz, Fred | Compensation Change | Jan 2018 | \$ 900.00 |
| 12/20/2017 | Palmer, Sandra | Retro Term - Compensation | Mar 2018 | \$ (1,500.00) |
| 12/20/2017 | Smith, Matt | Retro Add - One Time Payment | Mar 2018 | \$ 180.00 |
| Total – Adjustments processed this billing period | | | | \$ 1830.00 |

R Billing Detail – Current Month

| Bill Date | S Participant | T Type | U Compensation | V Assessment | Interest |
|---|---------------|------------------|--------------------|--------------------|----------------|
| 04/01/2018 | Bail, Jane | Annual TAC* | \$ 75,000.00 | \$ 1,125.00 | \$ |
| 04/01/2018 | Doe, John | Annual TAC* | \$ 175,000.00 | \$ 2,625.00 | \$ |
| 04/01/2018 | Mertz, Fred | Annual TAC* | \$ 60,000.00 | \$ 900.00 | \$ |
| 04/01/2018 | Smith, Matt | Annual TAC* | \$ 90,000.00 | \$ 1,350.00 | \$ |
| 04/01/2018 | Smith, Matt | One-Time Payment | \$ 1,000.00 | \$ 180.00 | \$ |
| Total – Assessments and Interest | | | Annual TAC* | \$ 6,180.00 | \$ 0.00 |

*TAC = Total Assessable and Interest

Employment Change Form



Reset Print

Employment Change Form New Assignment Notice & Change in Compensation

Reason for change:

Compensation Change New Assignment/Hire Change in Employment Status Termination Retirement
Please select all benefits that apply Clergy DB Lay DB Lay DC RSVP

Employee Information

Legal Name
First M Last
Mailing Address
City State Zip
Social Security #/TIN # Date of Birth
Canonical Residence
Employee information updated? Yes No

Employment Information

Employer Name
Mailing/Billing Address
City State ZIP Country
Phone Number
Employee's Title Effective Date of Change
Hours expected to work per year

Compensation

Other than a one-time payment, list all amounts on an **annual basis**. For explanations, see the instructions on the next page.

\$ \$
Base salary (excluding housing) and scheduled taxable cash payments Cash housing allowance and/or utilities
Employer-provided housing? Yes No
(Check "Yes" if employer provides **physical housing** for the employee)
\$ \$
Employer contributions to a qualified or non-qualified plan One-time payments

Send assessment bills to: Employer Diocese

Previous Employer Date Compensation Ended

Employer's Signature Date

Employer Email Address

Print Name Title

Employee's Signature Date ID# (CPF use)

Submit the completed and signed form to:

The Church Pension Fund, 19 East 34th Street, New York, NY 10016, Attn: Client Service or email to admin-assist@cpf.org. If you have any questions, call us at (866) 802-6333, Monday – Friday, 8:30AM – 6:00PM ET (excluding holidays).

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Reflections, Questions, and Discussion



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