

Pension and Benefits Office

**To:** Moving and Newly Appointed Pastors  
**From:** BeLinda Carnegie, Benefit Coordinator  
**Date:** May 9, 2011  
**Subject:** Pension Considerations When Moving

Congratulations on your new appointment within the Alabama West Florida Conference. Below are some things you will need to consider regarding your new appointment.

First, after Annual Conference, your new appointment will be entered in the General Board of Pension and Health Benefits' (GBOPHB) Benefit Access computer system. If you are currently enrolled in the benefit plans your current enrollments will remain the same unless your status changes from part-time to full-time or vice versa. Contributions to your accounts are suspended until your compensation information is entered. When I receive the completed Pastor Compensation Form, I will enter your information and the GBOPHB will ensure that retroactive contributions are billed appropriately. Please keep in mind, to avoid losing interest on the contributions; you will need to return the forms as soon as possible. If you are a newly appointed pastor and not enrolled in the retirement plan, enrollment packages will be given out at Annual Conference during the Pension and Benefits Orientation on Tuesday, June 7<sup>th</sup>.

Secondly, your United Methodist Personal Investment Plan (UMPIP) account is established with the church you are currently serving and is not automatically transferred with your new appointment. If you want to continue to make "Before or After Tax Contributions" to your UMPIP account, you must complete a new agreement establishing the contribution amount even if it is the same amount as your current deferral. The "Before or After Tax Agreement" form can be faxed or mailed to the Fiscal Office to my attention.

Finally, if you are currently enrolled in the Conference Health Insurance Plan and your status is not changing from serving full-time, you will remain enrolled in the health insurance plan. If your status is changing from full-time to part-time and you will be serving at less than 75%, you will not be eligible to participate in the Conference health plan. You will be sent information in June to enroll in the COBRA plan to continue your coverage with Blue Cross Blue Shield, if you elect too. If you are a newly appointed pastor and have a status of full-time or part-time serving at 75%, you must enroll in the Conference Health Insurance Plan, unless you document your coverage in an approved alternate plan. If you are a newly appointed pastor, enrollment packages will be given out at Annual Conference during the Pension and Benefits Orientation on Tuesday, June 7<sup>th</sup>.

For your convenience, I have attached the forms needed to make your changes. If you have any questions, please feel free to give me a call (888-873-3127) or email me at [belinda@awfumc.org](mailto:belinda@awfumc.org).



## Before-Tax and After-Tax Contributions Agreement

### United Methodist Personal Investment Plan (UMPIP)

#### Part I – Participant Information

Name \_\_\_\_\_ Social Security # \_\_\_\_\_  
Mailing Address \_\_\_\_\_ Primary phone # (\_\_\_\_) \_\_\_\_\_  
\_\_\_\_\_  
E-mail \_\_\_\_\_  
Country of Citizenship \_\_\_\_\_

#### Part 2 – Before-Tax Participant Contributions

Indicate the dollar amount or percentage by which you elect to have your salary reduced and contributed to UMPIP. Note that your compensation will be reduced before withholding taxes are calculated. At the time of distribution from UMPIP, your contributions and earnings are taxable.

Your total before-tax contributions for the year cannot exceed the annual 402(g) elective deferral limit (\$16,500 for 2010). If you attain age 50 on or before December 31, you may make additional catch-up contributions (up to \$5,500 for 2010). If you have at least 15 years of service with all United Methodist-related organizations, you may make additional catch-up contributions. Call the General Board for further details.

Your total before-tax and after-tax contributions, plus any plan sponsor contributions, cannot exceed your compensation for the plan year or \$49,000, whichever is less. For this purpose, compensation does not include the value of any parsonage or housing allowance that is excluded from your taxable income.

- Percentage of compensation: \_\_\_\_\_ % of compensation (enter any whole number up to 99)
- Dollar amount: \$ \_\_\_\_\_ per month (enter any whole number, not to exceed your monthly compensation)
- I elect not to make before-tax contributions

#### Part 3 – After -Tax Participant Contributions

Indicate the dollar amount or percentage that you elect to have withheld from your compensation and contributed to UMPIP. Note that your compensation will be deducted after withholding taxes are calculated. At the time of distribution from UMPIP, your after-tax contributions are non-taxable and earnings thereon are taxable.

Your total before-tax and after-tax contributions, plus any plan sponsor contributions, cannot exceed your compensation for the plan year or \$49,000, whichever is less. For this purpose, compensation does not include the value of any parsonage or housing allowance that is excluded from your taxable income.

- Percentage of compensation: \_\_\_\_\_ % of compensation (enter any whole number up to 99)
- Dollar amount: \$ \_\_\_\_\_ per month (enter any whole number, not to exceed your monthly compensation)
- I elect not to make after-tax contributions

**Part 4 – Participant Signature**

You cannot withdraw contributions from UMPIP unless you have a financial hardship as defined under UMPIP, attain age 59½, are disabled as defined under UMPIP, retire, terminate employment and/or terminate your relationship with the annual conference.

This agreement will remain in effect until you complete a new form.

Signature \_\_\_\_\_ Date \_\_\_\_\_

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**Part 5 – Acceptance by the Plan Sponsor/Salary-Paying Unit**

Effective date of this contribution \_\_\_\_\_ 1, 20 \_\_\_\_

Must be the first day of the month on or after the participant signed this form.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**The employer/salary-paying unit should keep the original form for its payroll records.**