

# Bridging the Gap to Financial Security



How to remain Active and build  
Credited Service during times of transition

# Facilitator



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Financial Education Client Specialist

# Agenda



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**01** A Guide to Clergy Benefits

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**02** Earning Credited Service During Times of Transition

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**03** Additional Retirement Savings Opportunity

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A Guide to Clergy Benefits

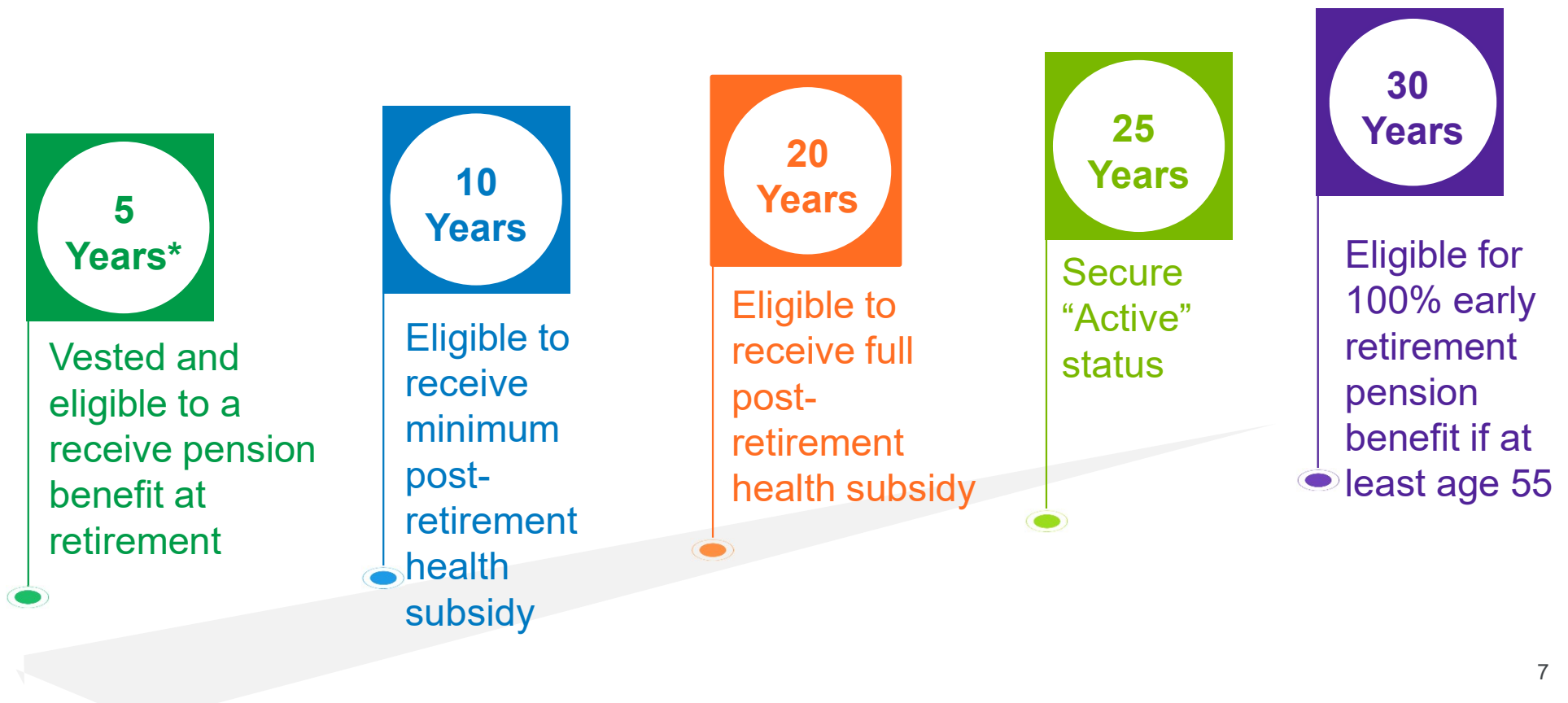


Rules in effect as of January 1, 2022  
Revised as of August 2022



[cpg.org](http://cpg.org)

# Clergy Pension Plan Milestones Based on Years of Credited Service



# Participant Status

Three Statuses:

- (1) Active
- (2) Inactive
- (3) Retired

Potential benefits lost going from Active to Inactive

Return to Active status from Inactive status

Details: pages 8 and 9 of the *Guide to Clergy Benefits*

# Earning Credit Service During Times of Transition

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## Break in Service

- This provision applies to:
  - Clergy between cures
  - Clergy taking any unpaid leave
  - Clergy suspended or restricted from exercising ministry in TEC\*
- Option to pay personal assessments for up to 24 months on
  - HAC or HMC\*\*, cleric's choice
- Grace period (six months)
  - No Credited Service if assessments not paid, but keep Active status
- Can be used as often as needed during your career

\*Does not apply to those deposed or removed

\*\*HAC – Highest Average Compensation HMC = Hypothetical Minimum Compensation







## Make-Up Accounts



- May be able to pay personal assessments to increase Credited Service (CS)
- Generally, eligibility based on pension rules at the time CS was earned
- Interest may be charged
- Call Client Services for more information

## Extension of Ministry

- Good standing, active, ordained ministry outside of the Episcopal Church (TEC)
- Pastoral, educational, or social work position
- Non-secular, furthers the mission of TEC
- Approved by, canonical bishop, and if applicable, the geographic bishop and the Church Pension Fund for up to two years
- For another extension beyond the two years, you must submit a renewal request



# Annual Clergy Pension Benefit Formula

$$\text{(HAC x CS x 1.6\%)} + \text{(First \$10,000 HAC x CS x 1.15\%)}$$

- **Highest Average Compensation (HAC):**  
Generally the highest paid seven 12-month periods over the cleric's career\*

**Credited Service (CS) for Pension:**  
Assessments fully paid on monthly Total Assessable Compensation (TAC)

# Additional Retirement Savings Opportunity

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## CPF Sponsored 403(b) — The Episcopal Church Retirement Savings Plan



- Pre-tax\* contribution limit of \$22,500, or 100% salary, whichever is less
- Additional catch-up contributions of up to \$7,500 for participants age 50+
- No federal income taxes\* or SECA taxes paid by clergy on pre-tax contributions
- May withdrawal, without penalty, on or after age 59½, even if actively working
  - Distributions can be used as housing allowance, subject to IRS limits

Must take required minimum distributions by no later than April 1 of the year after you turn 73\*\*

\*Pre-tax contributions may be subject to federal income tax upon withdrawal. 2023 IRS limits

\*\*For those who turned (or will turn) age 72 on or after January 1, 2023. Consult your financial professional if you turned age 72 before that date.

# Church Pension Group Tools and Resources

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# eLearning Library

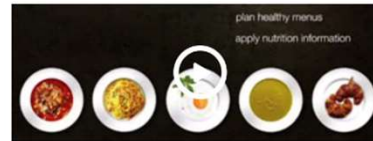
Currently, 20 courses, several translated into Spanish... more to come



SMART: Five Key Ways to Make Your Goals More Effective



Your Healthcare Benefits



Nutrition: Your Next Meal



The Episcopal Church Lay Employees' Defined Contribution Retirement Plan (Lay DC Plan)



The Church Pension Fund Clergy Pension Plan — U.S. Dioceses



Comprender el Plan de Pensión para Integrantes del Clero de Church Pension Fund: Diócesis de EE. UU.



Visioning: See Your Way to Wellness



Understanding the International Clergy Pension Plan



Clergy Housing Allowance



The Episcopal Church Retirement Savings Plan (RSVP)



Social Security



Protecting Yourself from Financial Fraud

## Choose WELL Podcast



Through a series of conversations with experts in the fields of health, behavioral science, and financial education, we share insights and concrete steps you can consider to train your brain, adopt new behaviors, learn a few key financial skills, focus on mindfulness, and find out what happens when you Choose Well.

[choosewell.podbean.com](http://choosewell.podbean.com)



# CPG Resources

## Church Pension Group

19 East 34th Street  
NY, NY 10016  
(800) 223-6602  
[cpg.org](http://cpg.org)

## Client Services

Monday – Friday  
8:30 AM – 8:00 PM ET  
(excluding holidays)  
(866) 802-6333  
[benefits@cpg.org](mailto:benefits@cpg.org)

## Tax Hotline



**Mary Ann Hanson, CPA**  
(877) 305-1415

**Nancy Fritschner, CPA**  
(877) 305-1414

**Dolly Rios, CPA**  
(833) 363-5751  
(Spanish and English)

# Complimentary Financial Discussions

Contact the Church Pension Group  
Financial Education Specialists for  
financial discussion

Call (888) 735-7114

Monday to Friday,

8:30 AM to 8:00 PM ET

Online scheduling tool

[cpg.org/letschat](http://cpg.org/letschat)



Larry  
Dresner



Anna  
Molin  
(English & Spanish)

≡ #Hashtag



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CPF currently offers a post-retirement health subsidy to eligible clergy and spouses. However, CPF is required to maintain sufficient liquidity and assets to pay its pension and other benefit plan obligations. Given uncertain financial markets and their impact on assets, CPF has reserved the right, at its discretion, to modify or discontinue the post-retirement health subsidy at any time.

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