COVID-19 Financial Relief
California-Pacific Conference Board of Pension & Health Benefits
April 3, 2020
...updated April 8, 2020

The Board of Pension & Health Benefits of the California-Pacific Conference is pleased to announce that the local church obligation for CRSP DC, CRSP DB and CPP will be waived for three months. The Board feels that this will be a measure of relief that can be counted upon by church leadership in their financial planning as they deal with a myriad of issues connected with the COVID-19 crisis. Beginning with the April, 2020, conference invoice and extending through and including June, 2020, local churches will not be billed for CRSP DC, CRSP DB or CPP premiums and contributions.

FREQUENTLY ASKED QUESTIONS

1. How much funding is required to support this initiative and what is the source of the funds?

The three-month initiative by the Board of Pensions will waive approximately $830,000 of pension (CRSP DC and CRSP DB) and death and disability insurance (CPP) obligations. The funding to cover these obligations comes from a limited amount of undesignated reserves the Board of Pension and Health Benefits holds at Wespath Benefits and Investments.

2. Will the pastor’s pension or CPP benefits be changed in any way by this waiver?

No. The pastor’s benefits will not be impacted. The contributions and premium payments will be made as they normally are at Wespath Benefits and Investments where all the accounts are held.

3. Will the waiver impact the pastor’s UMPIP contributions?

No. The waiver does not impact the pastor’s personal contributions that are made to the United Methodist Personal Investment Plan (UMPIP). All personal contributions that are made through payroll deductions should remain the same, and they will continue to be remitted for payment in response to invoices sent directly to the church by Wespath.
4. Will churches be asked to repay the amounts that are being waived?

No. This will be a complete holiday for the churches for the above-named benefit items without expectation of repayment or future billing for these months.

5. How much does the average church pay for pension and CPP benefits?

The billing for these three items is approximately 16% of plan compensation (salary plus housing) for clergy serving the churches.

6. Will churches receiving Equitable Compensation assistance be able to realize relief from this waiver?

Yes. For churches receiving Equitable Compensation assistance, deductions for CRSP DC and CPP will not be taken from the EC checks going to the church for April, May and June, resulting in a larger monthly check being sent to the church. And the church will not be billed for CRSP DB.

7. Once my church receives the PPP funding, will I be able to use these funds to make pension payments even if it overlaps with the three-month waiver provided by the Board of Pensions?

Yes. The PPP funds can be used to pay the church's contribution to pension benefits. If the loan payment is received during the three-month waiver (April through June), then the payment(s) will be applied to any unpaid invoices prior to April or the next applicable invoice periods in July and August. The pension and medical payments are considered payroll costs and will help churches ensure that they meet the Small Business Administration's requirement that at least 75% of the PPP funds are used for payroll costs.

For additional questions, please contact:

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