

Quadrennial
Benefits
Conference



FINDING YOUR WAY

New Conference Board of Pension Members

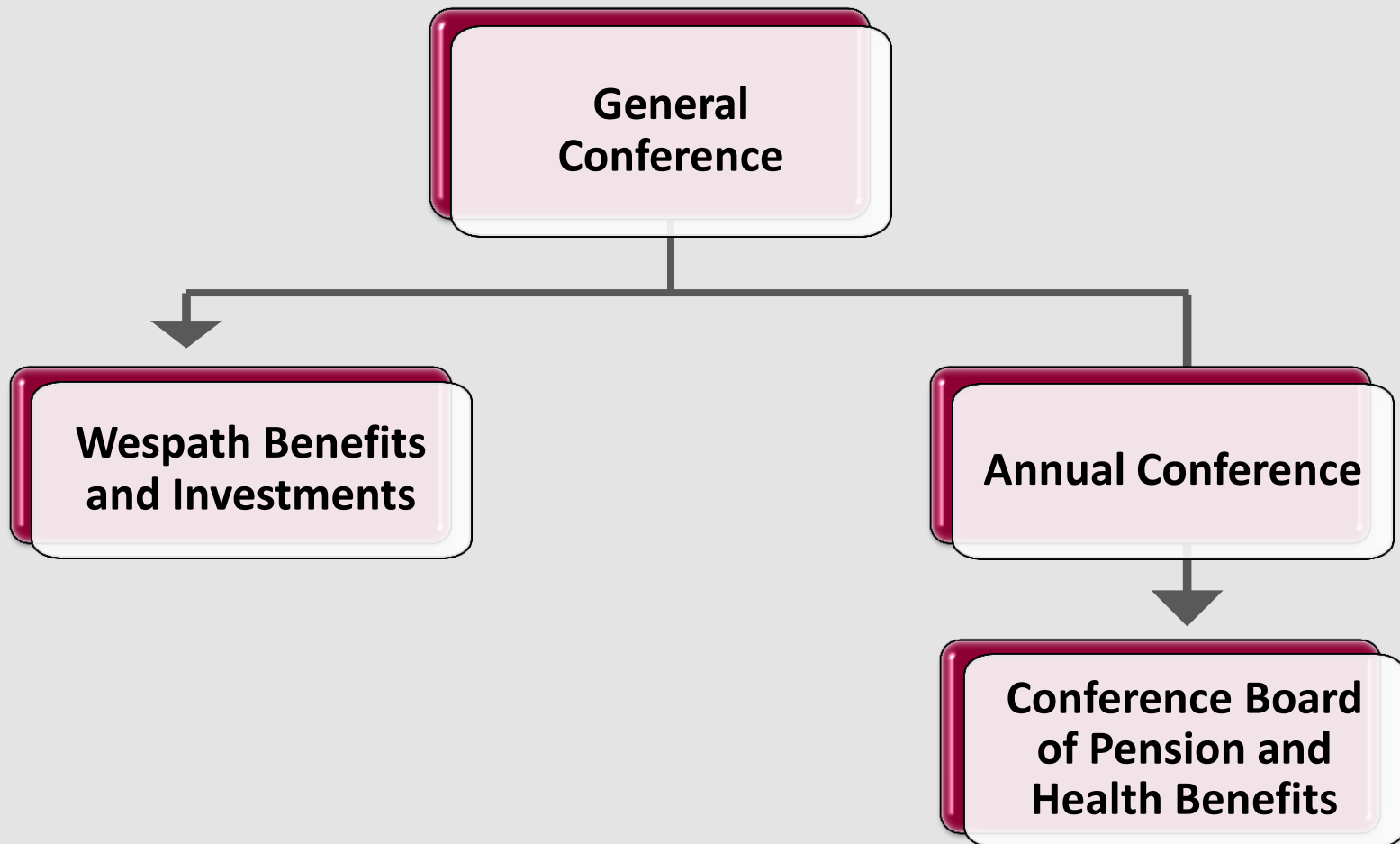


Wespath
BENEFITS | INVESTMENTS

Agenda

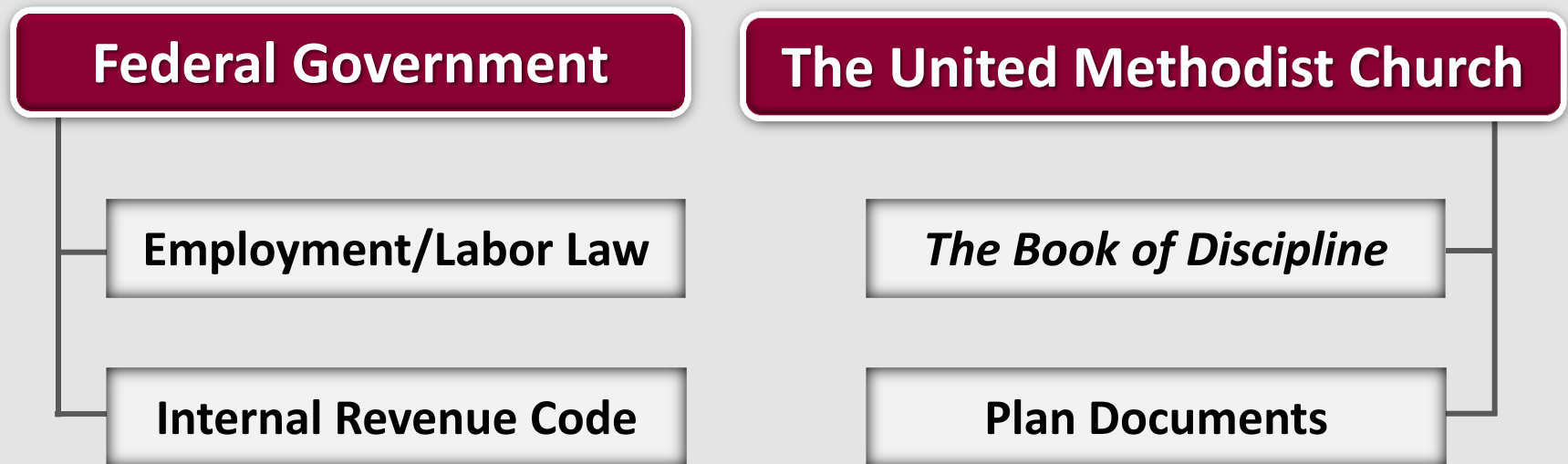
- A Partnership
- Structure and Organization
- Shared Roles and Responsibilities
 - Wespath Benefits and Investments
 - Conference Board Duties
 - Knowing who you serve
 - “Provide, Administer, Recommend, Educate”
- Next Steps

A Partnership

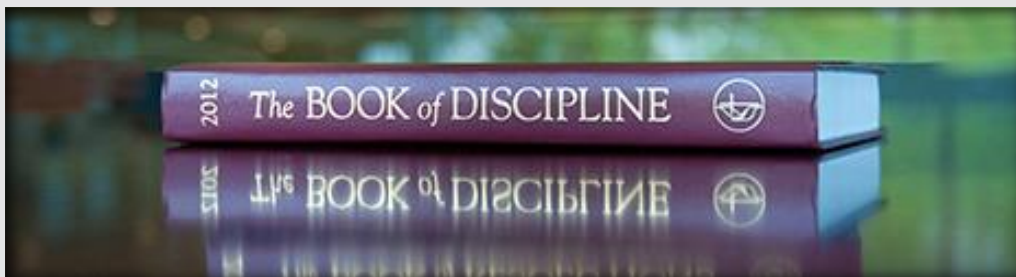


Structure and Organization

Authority Structures



2012 Book of Discipline



Wespath Benefits and Investments

¶1501 through ¶1505

- Establishment of the General Board of Pension and Health Benefits
- Membership
- Legal entities
- Authorizations

“...is authorized and empowered to provide administrative, trust, and investment support to The United Methodist Church and its constituent boards, agencies, conferences... to provide support, relief, and assistance, and pension, welfare, and other benefits for clergy of this denomination, lay workers...and their families.”

2012 Book of Discipline



Annual Conference Administration

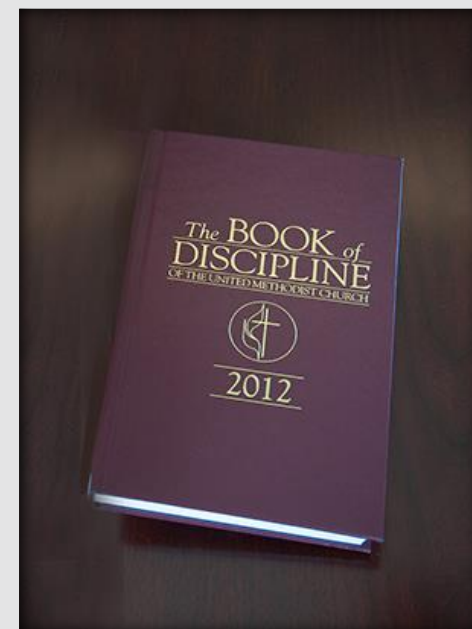
¶1506 through ¶1509

- Duties, rules, administration
- Financial matters
- Investments

2012 Book of Discipline

Authority, organization for the Conference Board of Pension and Health Benefits—granted through ¶639

- “...providing for and contributing to the support, relief, assistance, and pensioning of clergy and their families, other church workers, and lay employees of the institutions, organizations, and agencies within that annual conference...”
- “...auxiliary to the General Board of Pension and Health Benefits...”



The Word for the Day

Fiduciary

Definition of “Fiduciary”

Merriam-Webster defines it as:

- “Relating to or involving trust...”
- Does not necessarily refer only to financial matters

The Word for the Day

Fiduciary

Wespath Benefits and Investments is authorized and empowered:

“...to discharge its fiduciary duties with respect to a benefit fund, plan or program solely in the interest of the participants and beneficiaries and for the exclusive purpose of providing benefits to participants...”

— The 2012 Book of Discipline (§1504.14)

Fiduciary Functions

Duty of Care

- Reasonably informed
- Reasonably prudent
- Reasonable judgment



The Conference Board of Pensions should take care to act in the best interest of its participants and beneficiaries.

Wespath Responsibilities



- Computes benefits
- Interprets plans and establishes policies
- Maintains records
- Assists participants and conferences
 - Amenable to General Conference
 - Legal entities
 - Plan administrator
 - Trustee, holds assets, manages the funds that pay the benefits

Conference Responsibilities

Who does the Conference Board serve?

- Clergy—active and retired
- Lay employees
 - Lay employees of the institutions, organizations, and agencies within that annual conference
- Families of clergy and lay employees

Conference Responsibilities

Four areas of responsibilities in “support, relief and assistance”



Provide



Administer



Recommend



Educate

Provide



- Funding for pension and benefits needs
- Plan for funding of benefits
- Information to Wespath on:
 - Long-term pension, and
 - Retiree medical obligations
- Appropriate notices to participants

Administer



- Enroll eligible clergy in all mandatory plans
- Approve pension credit for earned service
- Report clergy data to Wespath
 - Indicative data, appointments, conference relationships, retirements, terminations
 - Changes in service records or pension credit

Administer



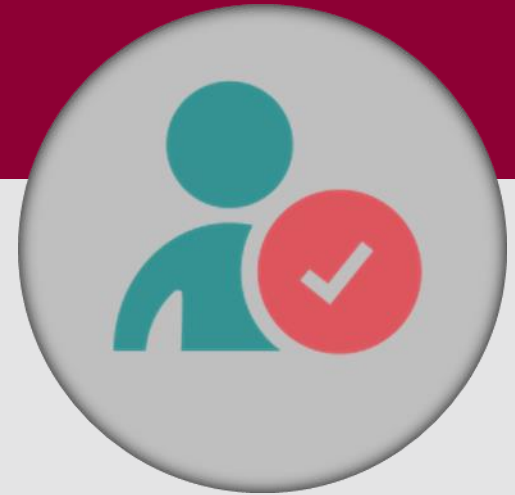
- Execute adoption agreements (including plan design elections, if any)
- Follow state law mandates, if applicable (especially for health plans)
- Follow plan provisions
- Review service providers periodically
- Document decisions and procedures

Administer



- Remit contributions (premiums) to Wespath
- Invest funds
 - Establish an Investment Policy
 - Avoid conflicts of interest
 - Assure soundness and security
- Report and audit investments and distributions
- Develop a record retention policy

Recommend



- Pension credit
- Past service rate for pre-82 service
- Optional provisions in mandatory benefit plans
- Supplemental plans
- Health insurance plan offerings

Educate



- Inform participants of plan provisions and opportunities for participation
 - Provide appropriate notices of plan changes
 - Publish Annual Election dates with processes and procedures
- Inform participants of any benefit changes due to change in eligibility

Educate



Pre-retirement counseling

- Hold seminars on a regular basis to assist participants with issues they may encounter as they approach retirement
- Encourage participants to attend early in their pastoral career as well as at least 5 years before expected retirement
- Cooperate with Board of Ordained Ministry (as mentioned in ¶358.4 of *The Book of Discipline*)

Do More!

- Engage your board by hosting a benefits seminar for your participants
 - Wespath can help!
- Encourage your participants to attend an event



To Learn More!

Wespath website—wespath.org

- Attend an event:
 - Conference Forum
 - HealthFlex Summit (for sponsoring conferences)
 - Quadrennial Benefits Conference
- Read *The Book of Discipline* and *The Book of Resolutions* (seriously!)
 - In particular: ¶ 358, 639, 717, 1504 and Resolution 4071



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