



Wespath
BENEFITS | INVESTMENTS



COMPASS

Compass: An Overview





What to Know

- **Active clergy**—keep benefits earned previously under legacy plans (Pre-82, MPP, CRSP)
- **Retired clergy**—no impact, no changes
- **Eligibility**—annual conference discretion regarding 50% or 75%
- **GNJ and EPA** at half-time (50%) and above

Why Compass?



Sustainability



Affordability



Adequacy



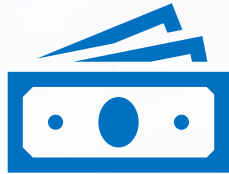
Flexibility

UMC Retirement Contributions

(effective January 1, 2026)

Automatic contributions

In partnership with clergy



\$150* per month

+

3% of compensation**

+

**\$1/\$1 matching
contribution
(up to 4% of compensation)**

* 2026 amount; increases 2% per year (\$5 increments)/prorated by appointment percentage

** Compensation includes 35% parsonage value or housing allowance

Clergy Partnership is Essential

- Contribute 4% of your compensation to unlock the full match
- Contribute what you can afford
- EY Financial Planning Services can help you get there!



Plan Design Features Designed to Help

- Parsonage value increase from 25% to 35%
- Student loan provision
- Automatic enrollment and escalation
- LifeStage Investment Management
- LifeStage Retirement Income





Parsonage Value Increase

Parsonage value/housing allowance—**included** in plan compensation

Deemed parsonage value—**increases** from 25% to **35% of pay**

- Reflects a more realistic value
- Subject to minimum and maximum

Student Loan Provision

- Counts qualified educational loan payments *as if* they were clergy contributions to Compass up to 4% of compensation
 - **Earn 4% plan sponsor match**
- Participants will have ability to **self-certify** qualifying payments
- Self-certification expected to be done via [Benefits Access](#)
- Informed by **SECURE 2.0 Act legislation**



Automatic Features in Compass

Automatic features will help protect clergy who are less engaged:

Auto enrollment

Get clergy contributing at rate no less than

4%

Auto escalation

Increase savings rate incrementally over time

+++

Participant can make a decision different from default options



Personal Contributions in Compass— Transferring UMPIP* Elections



Participants contributing

\$0 now



Will be **auto-enrolled at 4%**** before-tax

Participants contributing

less than 4%**

with **one** contribution type
(before-tax only, Roth only,
or after-tax only)



Will be **auto enrolled at 4%**** same type

Participants contributing

4% or more**



Same rate/type carries into Compass (dollar amounts converted to %)

* UMPIP: United Methodist Personal Investment Plan

** Or higher, if elected by the conference

LifeStage Investment Management

- Personalized investment management allocation tool for defined contribution (DC) accounts
- Sets an investment allocation with quarterly reviews
- Rebalances accounts as needed
- Manages investments during active service and in retirement
- **Required** for UMC contributions



LifeStage Retirement Income

- **Optimizes** retirement savings
 - Determines how much money you can safely take out as your monthly retirement income
 - Option to use retirement savings early to attain maximum Social Security benefits
 - Option of deferred annuity beginning at age 80 to establish lifetime income
- **Required** for UMC contributions



What Do You Need to Do and Know?



Review
your personal
contributions



Name
beneficiaries



Understand your
current retirement
projection



See how EY
can help you



Projection Tool Update

- Projection tool updated for retirement dates after January 1, 2026
- Incorporates Compass
- Includes option of MPP 65% as LifeStage Retirement Income

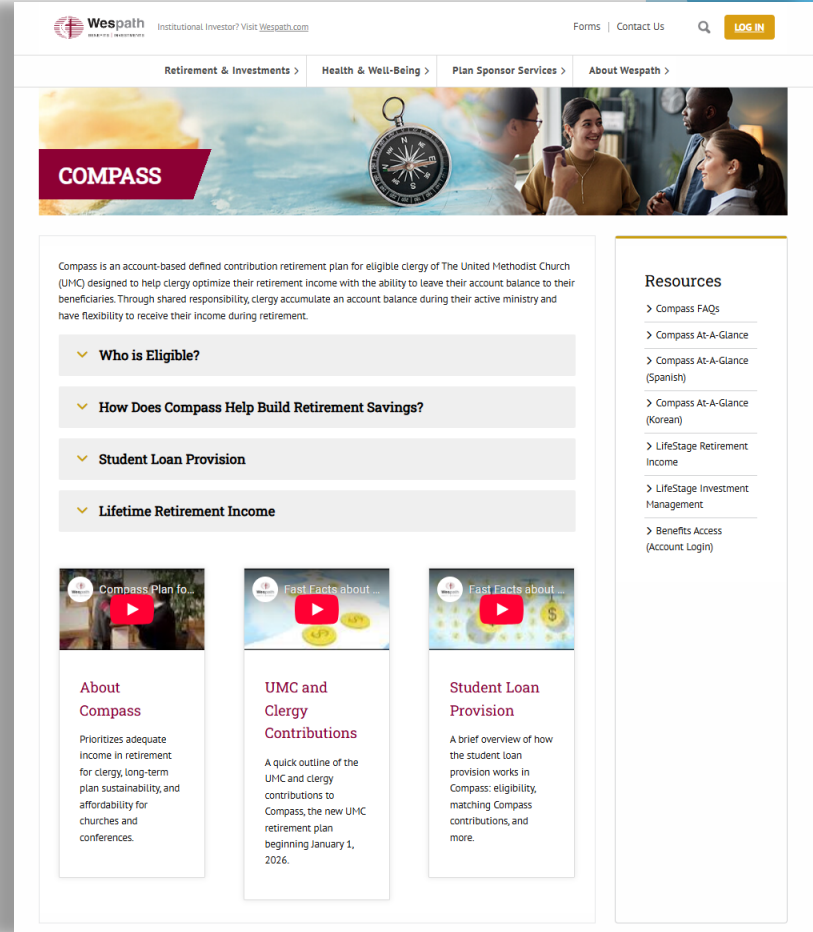
Compass Webpage

wespath.org/r/compass

- Home base for Compass information
- Contains ever-expanding resource library



SCAN ME



COMPASS

Compass is an account-based defined contribution retirement plan for eligible clergy of The United Methodist Church (UMC) designed to help clergy optimize their retirement income with the ability to leave their account balance to their beneficiaries. Through shared responsibility, clergy accumulate an account balance during their active ministry and have flexibility to receive their income during retirement.

Compass Annual Conference Presentation

[View the Presentation >](#)

Compass Overview Video



Resources

- > [Compass Annual Conference Video](#)
- > [Compass Annual Conference Presentation](#)
- > [FAQs](#)
- > [FAQs \(Spanish\)](#)
- > [FAQs \(Korean\)](#)
- > [Compass At-A-Glance](#)
- > [Compass At-A-Glance \(Spanish\)](#)
- > [Compass At-A-Glance \(Korean\)](#)
- > [LifeStage Retirement Income](#)
- > [LifeStage Investment Management](#)
- > [Benefits Access \(Account Login\)](#)



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How is my church getting billed?

Church Paid from Operating Budget:

1. Fixed % of compensation (currently 5.47%) which includes:
 - a) \$150/month
 - b) 3% of compensation
 - c) Admin & Uncollectable fees
2. Matching Contribution
 - a) Set a 4% (assumes full match) with refund after student loan reconciliation



How is my church getting billed?

Pastor Paid from Payroll Deduction:

1. *Pastor's Contribution: Church will be billed the \$ amount the Pastor chooses to deduct from their paycheck*
 - a) *Individual responsible for processing payroll must deduct the amount from the Pastor's paycheck (pre-tax or after tax as the Pastor chooses)*
 - b) *Treasurer pay's the Conference billing using the funds deducted*



Billing examples: Savings vs. Current CRSP Billing

		<u>Avg. 100%</u>	<u>70% avg</u>	<u>2x avg</u>	<u>75% Appt</u>	<u>50% Appt</u>
Salary		\$65,956	\$46,169	\$131,911	\$35,300	\$23,500
Parsonage value (35% of salary)		\$23,084	\$16,159	\$46,169	\$12,355	\$8,225
Total Compensation		\$89,040	\$62,328	\$178,080	\$47,655	\$31,725
<u>Church Paid:</u>						
a) Fixed rate	5.47%	\$4,874	\$3,412	\$9,747	\$2,608	\$1,736
b) Matching contribution	4.0%	\$3,562	\$2,493	\$7,123	\$1,906	\$1,269
Total from Church budget		\$8,435	\$5,905	\$16,870	\$4,515	\$3,005
% of Compensation (vs. 14% CRSP)		9.5%	9.5%	9.5%	9.5%	9.5%
Savings vs. CRSP billing		\$4,030	\$2,821	\$8,061	\$2,157	\$1,436
<u>Pastor Paid (via payroll deductions)</u>						
e) Pastor's contribution	4.0%	\$3,562	\$2,493	\$7,123	\$1,906	\$1,269
Total billing		\$11,997	\$8,398	\$23,994	\$6,421	\$4,274
% of Compensation		13.5%	13.5%	13.5%	13.5%	13.5%

Parsonage and Multiple Appointments

Minimum Parsonage
Value is prorated
by **Cash Salary**, not
appointment percentage

Calculation Example

Appointment	Appointment %	Cash Salary	Estimated Parsonage	Adjusted Parsonage	Total Plan Compensation
Church A	25%	\$15,000	\$5,250	\$6,000	\$21,000
Church B	25%	\$10,000	\$3,500	\$4,000	\$14,000
TOTAL	50%	\$25,000	\$8,750	\$10,000	\$35,000

60% / 40%
split between
appointments

Parsonage must
be at least
\$10,000

60% / 40%
split between
appointments



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