

General Conference (April 23-May 3, 2024)

Retirement Plan for General Agencies (RPGA)



Petition 20949 – FA

Wespath's Petition

Wespath proposes to close the Retirement Plan for General Agencies (RPGA) and transfer participants' accounts to the Personal Investment Plan (PIP, also known as the United Methodist Personal Investment Plan or UMPIP). Participants would maintain *one consolidated account* (PIP), rather than two separate accounts (PIP and RPGA). (Currently, many general agency employees are covered under both RPGA and PIP).

[Petition](#)

- PIP (UMPIP) is an existing 403(b) retirement savings plan. It is a defined contribution (DC), account-based plan.
- [More info](#) about UMPIP.

Why Wespath Recommends This Petition

- *It's easier*—Participants have one consolidated account and investments to monitor. Like now, they can monitor their accounts through the [Benefits Access portal](#).
- *It's more flexible*—The change would provide flexibility to update plan provisions on a timely basis—without waiting for General Conference.
 - RPGA can only be amended with General Conference approval (usually every four years).
 - PIP does not require General Conference approval for updates.
- *It uses an existing plan that many participants already have*—UMPIP already covers many general agency employees (as well as many clergy and lay employees at local churches, annual conferences and other United Methodist employers).

(over)



Retirement Plan for General Agencies

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What Doesn't Change

- *The petition does not create a change in contribution amounts being paid by general agency employers—* However, employers would pay contributions into PIP instead of RPGA.
- *The current requirements for the nine general agencies that receive World Service funds—*They remain subject to the policies set by the General Council on Finance and Administration (GCFA), with input from the Committee on Personnel Policies and Practices (CPPP). Under this requirement, any changes to contribution levels can only be made if the nine agencies agree on the change.
- *Legacy plan defined benefit (DB) pensions for eligible participants (clergy)—*The petition would help assure that the legacy plan defined benefit pensions payable under RPGA are paid, even under disruptive circumstances for the denomination. The petition would similarly support annuities created for general agency employees under other legacy plans (e.g., PIP, the Ministerial Pension Plan, etc.).

Why a Change Is Needed

Currently, RPGA may be amended only every four years by General Conference. The petition would allow flexibility between General Conferences.

This change supports long-term sustainability of plans and benefits for those who serve in UMC general agencies. It also addresses increasingly tight budget realities as church membership in the U.S. continues to decline. Membership has been declining for several decades, and recent disaffiliations intensified the decline. By closing RPGA and replacing it with PIP, general agencies would gain needed flexibility to make plan changes more frequently, including changes to general agency contribution levels (which may become necessary, for example, due to rapidly fluctuating budgets caused by disruption in the UMC).

This petition does not define or change contribution amounts. However, it does allow the general agencies more flexibility for their contributions to each employee's retirement plan.

Timing

If Petition 20949-FA is approved by the General Conference, changes would be implemented *as soon as administratively feasible after the close of General Conference*. Wespeth would be authorized and directed to make the necessary amendments to conform to the petition as of the close of General Conference.

Wespeth's General Conference webpage: www.wespeth.org/gc2020

- Links to most of our petitions and rationales
 - Links to support materials
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