

# Let's get back to Your 3-legged stool



What are your labels for three sources of income for a stable, steady future? How about:

1. YOUR PENSION
2. YOUR SAVINGS
3. YOUR SOCIAL SECURITY

## 1. YOUR PENSION (the basics):

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A full pension (based on 30 years of service, and retirement at 70) is \$2305/month.

Each year of service is worth \$76.83/month.

You will lose 5% for every full year you retire earlier than 70 (earliest: 65 years of age).

# Your Pension, continued:

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## Pension Plan Basics

### Vesting

- You are 100% **vested** in your Accrued Benefit after 10 years of service (or if you are over age 70)
- Once you are **vested** in your Accrued Benefit, your Accrued Benefit cannot be taken away from you.
- If you leave the Archdiocese before completing 10 years of service and before age 70, you will receive no plan benefits.

The benefit formula (\$76.83/month per year of service, effective July 1, 2020) is automatically increased each year (on July 1<sup>st</sup>) based on changes in the Consumer Price Index (CPI). Annual increases are limited to no more than 3.5%

As the benefit formula increases each year, retired priests benefits will be increased at the same rate of increase.

Priests who leave ministry before age 65 do not receive benefit increases once their vested benefit commences (at age 70). Their benefit is based on the benefit formula in effect when they leave. They also are not eligible for early commencement of benefits prior to age 70.

You'll start  
receiving  
in the mail  
an annual  
statement this year  
of the pension  
benefits you have  
earned to date

## Sample Annual Benefit Statement



### THE ARCHDIOCESE OF SAN FRANCISCO PRIESTS RETIREMENT PLAN

Individual Statement of Estimated Benefits  
for

REV. SAMPLE PRIEST  
as of July 1, 2015

#### PERSONAL INFORMATION

Birth Date: July 1, 1965  
Ordination Date: August 18, 1988  
Incardination Date: November 16, 2002  
Initial Assignment Date: July 1, 2000  
Vesting Service Date: July 1, 2000  
Benefit Service Date: July 1, 2000  
Normal Retirement Date (NRD): July 1, 2035

#### AGE AND SERVICE INFORMATION

Age Last Birthday: 50 years  
Lost Vesting Service: 0 yrs, 0 mos  
Lost Benefit Service: 0 yrs, 0 mos  
Vesting Service to Date: 15 yrs, 0 mos  
Benefit Service to Date: 15 yrs, 0 mos  
Service at NRD: 35 yrs, 0 mos

#### ESTIMATED PROJECTED BENEFIT AT NORMAL RETIREMENT DATE

These benefits are estimates only. The calculation assumes that your ministry continues until your Normal Retirement Date. Your actual benefit will be determined at your time of retirement, using verified data and applicable plan provisions.

Monthly Benefit at Normal Retirement Date: \$1,958

#### ESTIMATED BENEFIT EARNED TO DATE

Your accrued benefit is your benefit earned to date, based on your current service to date, payable at your Normal Retirement Date.

Monthly Accrued Benefit as of July 1, 2015: \$979

#### VESTED STATUS

Vesting means your nonforfeitable right to all or part of your accrued benefit upon termination of service with the Archdiocese of San Francisco.

You are fully vested in your accrued benefit of \$979.

#### ADDITIONAL INFORMATION

Please note that benefit amounts shown on this statement are based on the benefit formula in effect on July 1, 2015. The plan provides that the benefit formula will be increased in the future based on changes in the Consumer Price Index (up to 3.5% per year).

All dates and amounts reported in this statement are estimates determined from data in your pension records. Please contact Annabelle Gwon at the Office of the Vicar for Clergy for any changes or corrections.