



*“From Where I Sit ...”*

## **How to Obtain a Disbursement from The CME Retirement Plan**

If you are a participant in the CME Retirement Plan, then you are aware of its three features: 1) Retirement Benefits (*based on contributions paid by the Churches*), 2) Life Insurance (*for both the participant and spouse*), and 3) Short Term (*up to 13-weeks*) Disability Insurance. This article will describe the steps required to receive a disbursement of the first feature: Retirement Benefits.

As noted on the back of the Semi-annual Participant Statement, retirement benefits are now distributed no later than the **last day of March, September, or December**. To begin the process, the participant should send a letter or email stating that they have retired or will retire and provide the date of retirement and the name of the Conference that recorded or will record their retirement. **The Presiding Bishop should also be notified!** Upon receipt of the notice, our office will send the necessary forms to be completed with a self-addressed envelope. Our office will also send to the Presiding Bishop a verification form to complete certifying that the participant has retired. These forms must be fully completed and returned to our office by the **second (2<sup>nd</sup>) Friday** of the month of the planned disbursement (**March, September, or December**). This deadline is necessary to permit adequate time for the initial review and approval, preparation of the check requests by our administrators, preparation of the checks, and mailing (via certified USPS mail) by the end of the respective month.

If forms are incomplete or either not received by the deadline, the distribution package moves to the next distribution date. For this reason, we encourage participants to submit their forms well in advance of the deadline to insure timely completion. The scheduling of these dates is intended to maximize the investment periods for the Retirement Plan and to allow the minimal drawdown amount of funds from investments at the most optimal time.

Retirement accounts are disbursed in full and may be made payable to 1) the participant, 2) rolled over into a “qualifying” rollover account, or 3) split between the participant and a rollover account. Any amount requested to be paid to the participant will be subject to a 20% required withholding which will be forwarded to IRS as a deposit against the participant’s potential tax liability.

When a participant retires and draws down their retirement account, their disability insurance is discontinued. If the participant receives their payment prior to age 72, then the participant’s life insurance is also discontinued (*for both the participant and spouse*). However, if the participant receives their payment at 72 or older, then their Life Insurance will continue up to a maximum of \$10,000 on the participant and up to \$5,000 on the spouse.

When participants plan for their retirement and follow these steps, their checks get into the mail and sent to them right on time. *Or at least that’s the way it looks to me ...*

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