

1 **Document: 640.01**
2 **Name: Special Sundays with Offerings for 2021**
3 **Author: Conference Council on Finance and Administration**
4 **CCFA Comment:**

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6 **ACTION:**
7 The Northern Illinois Conference recommends the following Special Sundays with
8 offerings for 2021:

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11 **Special Sundays**

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13 **General Church Offering 2021**

14	Human Relations Day	January 17, 2021
15	UMCOR Sunday	March 14, 2021
16	Native American Ministries Sunday	April 18, 2021
17	Peace with Justice Sunday	May 30, 2021
18	World Communion Sunday	October 3, 2021
19	United Methodist Student Day	November 28, 2021

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22 **Conference Offerings 2021**

23	Scouting Ministries	Any Sunday in February or March*
24	Golden Cross	April 25, 2021
25	Volunteers in Mission	Any Sunday in July or August
26	Christian Education	September 5, 2021
27	Accessibility Sunday	November 7, 2021
28	HIV/AIDS Awareness	December 5, 2021
29	United Voices for Children	Every 5th Sunday (January, May, August, October)

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32 * This fund supports Boy Scouts, Girl Scouts, Campfire, 4-H, Big Brothers and Big Sisters, and
33 Amachi programs.

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38 **Document: 650.01**
39 **Name: Minimum Salaries for Full-Time Clergy**
40 **Author: Conference Council on Finance and Administration – Committee on Equitable**
41 **Compensation**
42 **CCFA Comment:**

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44 **ACTION:**
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46 Minimum salaries for full-time clergy appointed in the NIC will be as follows:

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YEAR OF INITIAL APPOINTMENT (minimum salary set at the beginning of a new appointment, typically July 1)							
	2015 (\$33,800)	2016 (\$34,000)	2017 (\$34,200)	2018 (\$34,450)	2019 (\$34,800)	2020 (\$35,300)	2021 (36,360)
Resolution passed in:							
2015 for FY 2016	\$34,138						
2016 for FY 2017	\$34,479	\$34,340					
2017 for FY 2018	\$34,824	\$34,684	\$34,542				
2018 for FY 2019	\$35,172	\$35,031	\$34,887	\$34,795			
2019 for FY 2020	\$35,664	\$35,521	\$35,375	\$35,282	\$35,287		
Proposed in 2020 for FY 2021	\$36,734	\$36,587	\$36,437	\$36,341	\$36,346	\$36,359	

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2 *Chart interpretation: Each year, a minimum salary is set for new appointments. This salary*
3 *amount is listed in the first row, beneath the year the new appointment is made (which*
4 *typically begins July 1.) A minimum salary is also set for appointments made in previous years.*
5 *The number listed in the column beneath each year indicates the minimum salary for the pastor*
6 *appointed to that charge each fiscal year (which typically begins January 1.) Bold, italicized*
7 *numbers listed in the bottom row are the minimum salaries recommended to the Annual*
8 *Conference in 2019.*
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- 10 1) Local churches are to provide a minimum of \$5,000 for accountable reimbursements for
11 their appointed pastor. This covers costs related to travel, continuing education, and
12 other expenses incurred in the course of providing pastoral ministry. Information
13 regarding accountable reimbursements can be downloaded at:
14 [https://www.umcnic.org/media/files/ordained%20ministry/AccountableReimburse](https://www.umcnic.org/media/files/ordained%20ministry/AccountableReimbursementPoliciesQ%20and%20A.pdf)
15 [mentPoliciesQ and A.pdf](https://www.umcnic.org/media/files/ordained%20ministry/AccountableReimbursementPoliciesQ%20and%20A.pdf)
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18 **RATIONALE:**
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1 This minimum salary schedule is an increase of 3% to reflect the following:

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- 3 • In 2019, the minimum salary was increased 1.4% which was half of the 2019 federal cost
- 4 of living increase (2.8%). In 2018, minimum salary was increased 1%.
- 5 • The NIC has a long history of minimum salaries lagging behind denominational
- 6 averages.
- 7 • In 2019, CCFA committed to “recommend minimum salaries that move the NIC closer
- 8 to our Jurisdictional average [in 2020].”
- 9 • The annual inflation rate was 2.5%, per the U.S. Department of Labor January 2020

10 We recognize that many local churches struggle to afford full-time clergy appointments.

11 We recognize the desire to maintain the number of full-time clergy positions to match the
12 number of full-time appointments guaranteed to Commissioned and Ordained Elders. This is
13 increasingly unsustainable when we are losing an average of 5 full-time appointments every year.

14 In 2020, the CCFA Committee on Equitable Compensation will recommend minimum salaries
15 that continue to move the NIC closer to our Jurisdictional average. This is to further the work of
16 equitable compensation and to encourage the efforts of the Conference to adjust to the financial
17 reality of local churches.

18 **Document Number: 680.01**

19 **Name: Benefit Programs**

20 **Author(s): Conference Board of Pension and Health Benefits**

21 **CCFA: No action required**

22 **ACTION:**

23 The Conference Board of Pensions and Health Benefits, partnering with Wespath recommends
24 the following policies for clergy and other eligible participants enrolled in welfare, health and
25 pension benefits.

26 **I. Health Insurance**

27 The Conference Board of Pensions recommends that the Annual Conference establish the
28 following policies and procedures for administration of the Conference Health Care Program,
29 effective January 1, 2021.

30 **A. Mandatory Coverage**

31 1. The following categories of employees are mandated to participate in the Annual Conference
32 health insurance program. In all cases, the spouses, and dependents (such as children) of
33 eligible employees may enroll in the health plan at the election of the participant.

Category	<i>Discipline 2016</i>
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Elder in full connection (including those from another Methodist denomination and those from another conference) appointed to full-time or service to a conference local church or campus ministry	338.1, 346.1, .2, &,.3
Associate member appointed to full-time service	321
Provisional Members on elder track appointed to full-time local church service	326.2
A full-time local pastor who is under Episcopal appointment to a charge located in the conference	318.1

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2. Elders appointed to disability status prior to 65 will be covered under the conference plan until they are eligible for Medicare or for Social Security disability at the cost of the Conference Board of Pensions and Health Benefits. **At age 65 and they have maintained their Supplemental Insurance through Via Benefits they, from a premium payment standpoint, will be treated as retired pastors and subject to the HRA guidelines explained in Section D of this Resolution.**

B. Release from Mandatory Coverage – THE PILOT PROGRAM

Based on the implementation of the Affordable Care Act and the ability for individuals to gain coverage on the public exchange, churches can elect to opt out of the Wespath/NIC mandated health programs (HealthFlex).

To elect this option the Churches agree to the following:

1. Agree to pay the monthly HealthCare premium established by the Conference Board of Pensions.
2. Each quarter the Churches will receive a rebate of one month’s premium of the HealthCare premium.
3. The maximum amount the Conference Board of Pensions will provide in cash is **(\$1,000)** per month to support clergy to engage a health carrier on the exchange and to help pay for additional personal taxes. The amount provided by the Conference is considered as cash compensation only.
4. If Churches fail to make premium payments the Conference holds the right to discontinue the cash support provided to the Pastors.

The objective of allowing Churches to opt out of HealthFlex is to provide a means to help Churches lower the cost of medical insurance and be able to maintain the **promised medical benefit to NIC pastors.**

The Conference Board of Pensions can also release a clergy person from mandatory participation in HealthFlex at its discretion when:

- a. The clergy person is eligible for health coverage through TRICARE, or Champus.
- b. The clergy is enrolled in coverage from a former employer or as a dependent on a spouse’s employer-provided coverage. The Conference will treat the participant as if they were enrolled in the pilot program and bill the church as explained above (Section B).

C. Local Church and Extension Ministry Coverage Options

1 1. A local church or extension ministry may elect health insurance in the conference plan
 2 available to participants in the following categories **who meet the required eligibility criteria:**
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Category	<i>Discipline 2016</i>	Premium Billed to
Ordained elder appointed to extension ministries within the connectional structure (other than a unit of the conference or general agency), within an ecumenical agency, within a GBHEM endorsed extension ministry or within a special ministry outside the connectional structure	344.1a(3), 344.1a(4), 344.1b, 344.1d	Salary Paying Unit
Ordained clergy from another denomination (other than UMC) appointed to half-time or more service to a Conference local church or a unit of the Conference	346.2, 346.3, 338.2, 346.1	Salary Paying Unit
Provisional, Associate or full clergy member granted voluntary leave of absence not to exceed 1 year	354.1 354.2	Participant
Clergy member of the Annual Conference granted Sabbatical Leave for up to one year.	352	Board of Ordained Ministry
Clergy member of the Annual Conference granted Medical leave. Premium Paid by Conference for One Year	357	Board of Pensions
Deacon in full connection appointed to full-time basis in a conference local church, beyond the local church, or UMC related agencies and schools.	331.1a, 331.1b	Salary Paying Unit
A Provisional member on the Deacon track appointed to serve on a full time basis to an NIC congregation or to the conference.	326.1	Salary Paying Unit
75% of eligible Lay Employees of a local church in the conference normally scheduled to work at least 30 hours per week inclusive of a calendar year		Salary Paying Unit

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 5 2. In accord with Illinois law, state recognized civil union partners of lay employees are
 6 eligible for coverage in a manner similar to spouses.
 7 3. The option to offer coverage is made by the salary paying unit. The choice to accept the
 8 coverage shall be made by the participant. The salary paying unit may elect to offer health
 9 insurance to one or all categories of persons listed above in Section C. 1. The salary paying unit
 10 must make health insurance available to and will be billed for all persons within any specific
 11 category employed with the agency or local church.
 12 4. Each salary paying unit must execute annually a sub-adoption agreement with the
 13 annual conference, should they desire to offer health coverage to persons in these categories.
 14 5. These categories of persons are also eligible for coverage :

Category	Billed for Active's Premium
Surviving spouse or dependent children enrolled in the health plan at time of a participant's death	Participant pay 25%, Salary Paying Unit (or Board of Pensions) 75%

Divorced spouse enrolled in the plan at time of divorce for 2 years or in accordance with State and Federal law or court order	Divorced Spouse
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D. Retirement Health Administration –

1. Clergy persons eligible for and enrolled in the health plan or participating in the pilot program, or waived under their spouses plan at Mandatory Retirement (Discipline paragraph 357.1), Early Retirement (Discipline paragraph 357.2b), Full Retirement (Discipline Paragraph 357.2c), or Involuntary Retirement (Discipline paragraph 357.3) are eligible for health benefits in retirement through the conference plan. No clergy member retiring under the “20 year rule” (Discipline paragraph 357.2a) is eligible for retiree health coverage.
2. A clergy spouse (or surviving spouse after death of an active member) enrolled in the health plan 5 consecutive years before retirement or enrolled when first eligible for coverage (and prior to participant’s retirement) is eligible for coverage after retirement. The family status of the participant cannot change during retirement, except in cases of adoption, childbirth or death. Participants electing to not participate in retirement health plan at time of retirement may not elect to enroll at a later time.
3. Upon retirement the annual conference shall establish a Health Reimbursement Account (HRA) for the household in the retiree’s name. Participants and their spouses who meet the retiree eligibility rules under BOD 357.2 may use the funds in the HRA to pay for medical expenses including premiums, co-pays, deductibles, dental services, medical services, coinsurance, etc. Like a savings account, the funds **do not need to be expended by the end of the calendar year** and balances roll forward when unused.
4. Annually, the annual conference will provide a benefit equal to \$100 per year of ministerial service. This benefit also extends to the Pastor’s spouse for the duration of their lifetime. This amount is subject to change based on the needs and circumstances of the Conference and/or participants.
5. This benefit is limited to a maximum of 40 years of service. **40 years of service would provide a benefit of \$4,000 for both the pastor and their spouse.**
6. Ministerial service years are determined by the Conference Board of Pensions and Health Benefits. Only years served in the Northern Illinois Conference are considered in the HRA calculation. Special exceptions may be made based on approval by NIC Board of Pensions.
7. The Conference at the discretion of their Board of Pension has the right to change or modify the retiree benefit and or contributions at any time.
8. Full Time Lay Conference employees of the annual conference with 5 continuous years of coverage before retirement will have a contribution equal to \$100 per year of service to the annual conference deposited in their HRA annually. Eligibility for the HRA is contingent on a participant’s enrollment in Medicare B and engagement with Via Benefits (formally One Exchange).
9. The Conference Board of Pensions and Health Benefits engages Via Benefits to aid clergy retirees aged 65 and above in selection of suitable Medicare supplement coverage and to act as a patient advocate when necessary. To receive the HRA benefit eligible participants must enroll through the Via Benefits program and be enrolled in Medicare B. Clergy who retire prior to 65 and meet the eligibility rules to retire under BOD 357.2 will have the HRA equivalent deducted from the cost of their medical coverage until they

1 reach Medicare eligibility, enroll in Medicare B and enroll in Supplemental programs
2 through Via Benefits.
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4 **E. Active Health Administration**

- 5 1. Monthly premiums are billed to each charge or salary-paying unit at rates established by
6 the Conference Board of Pensions. Premiums are due the first of each month. Accounts
7 90 days in arrears are subject to termination as explained in the arrearage policy
8 approved by the Board and the NIC Cabinet. This policy describes the efforts that will
9 be made by the Conference office and the Cabinet to work with Churches that are more
10 than 90 days in arrears. If all efforts to receive payment or develop a payment plan have
11 been exhausted then termination of coverage may be the final option. Notification of
12 accounts in arrears will be provided to the District Superintendent, the pastor, the local
13 church PPRC chair, and the local church treasurer prior to termination.
- 14 2. If a participant enrolls in one of the HealthFlex Exchange programs that require a
15 payroll deduction to the Conference and those deductions are not made the Conference
16 can have the participant placed in a plan that does not require a payroll deduction.
- 17 3. Active participants seeking to enroll in the Flexible Spending Account Benefit provided
18 by the plan must enroll in November of the year preceding the year of the agreement.
19 Inquiries on billings and enrollment should be directed to the Conference Benefits
20 Administrator, LaMeise Turner, at (312) 346-9766, ext. 720.
21 Problem resolution and inquiries regarding coverage should be directed to the HealthFlex
22 Team at Wespath 1-800-851-2201.
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24 **II. Pension Programs**

- 25 A. **Clergy Retirement Security Program (CRSP) Eligibility.** The General Conference of the
26 United Methodist Church established the CRSP as the primary pension program for
27 United Methodist clergy in 2007. Mandatory participation is required when both 1 and 2
28 are met:
 - 29 1. The clergy member relationship to the conference is as a:
 - 30 a. Commissioned Members (Deacon or Elder)
 - 31 b. Elders in Full Connection
 - 32 c. Members of Other Conferences appointed in the Northern Illinois Conference
33 (paragraph 346.1 appointments)
 - 34 d. Full Time Local Pastors
 - 35 e. Deacons in Full Connection
 - 36 f. Members of other denomination, appointed to service in an NIC local church
37 if no other pension is provided by their denomination.
 - 38 2. The clergy member is under Episcopal appointment half-time or more to the
39 following service types:
 - 40 a. to local churches in the Northern Illinois Conference
 - 41 b. to the Conference (staff or Cabinet)
 - 42 c. to a Conference controlled entity (such as a campus ministry or ORM)
 - 43 d. to Incapacity leave with CPP benefits
 - 44 3. In order to waive participation, a half-time or more appointed clergy member must
45 sign a waiver form at time of appointment. Please note that persons assigned, but
46 not appointed are not eligible in the program.

4. Local churches are encouraged to enroll as a plan sponsor of UMPIP and to make employer contributions into the accounts of clergy appointed quarter-time.

B. Clergy Retirement Security Program.

1. **Comprehensive Protection Plan (CPP).** The Comprehensive Protection Plan is the primary death and disability benefit for enrolled clergy. The billing rate for CPP will be established by the Conference office. Appointments with compensation less than full time and those that were considered under special arrangements will be covered and billed based on rates established by UMLifeOptions.
2. **CRSP – Defined Contribution**
 - a. The CRSP pension program includes a defined contribution component. Each clergy member will have 2% of plan compensation deposited in an individual account at the Wespath. All contributions into the account are invested and the enrolled clergy member receives the appreciated value of the account upon retirement.
 - b. Clergy persons are encouraged to contribute 1% of their plan compensation into their UMPIP account as a salary deduction. The annual conference will match the first 1% of UMPIP contributions paid into the participants CRSP-DC account.
3. **CRSP – Defined Benefit program.** With the defined benefit component each enrolled clergy member will receive a monthly cash benefit from the plan upon retirement. The amount of the benefit is determined by the number of full-time-equivalent years in the program and the denominational average compensation at the time of retirement multiplied by 1.0%. Annual contributions made by the conference will be invested by Wespath so that the NIC obligation can be met. A portion of defined benefit funding accrues to a reserve fund for funding future variation in market results and other benefits to retirees and future retirees.

C. Billing Methods. The Annual Conference will invoice local churches monthly **16% (3% (CPP) + 3% (CRSP DC) + 10% (CRSP DB)** based on clergy plan compensation required for support of the CRSP and CPP programs. Currently, churches are being billed 16% of clergy plan compensation. **Increases may be necessary in the future.**

D.Pre-82 Defined Benefit Past Service Rate for 2021

1. The Conference Board of Pensions recommends that the annual pension rate for service prior to 1982, effective January 1, 2021, be \$605 per service year, an increase of 0% from 2020. Surviving spouses shall be supported at the rate of 85% of participant pension benefit amounts. Special grants will be provided as identified in Section F.

E. Excludable Housing allowance for retired clergy. In accordance with the Private Ruling Letter from the Internal Revenue Service, the Northern Illinois Conference Annual Conference Session reaffirms the limits to housing allowance exclusion for retired and disabled clergy found in the Standing Rules, at Section IV. C. 1, which states: *Disabled clergy have the same legal relationship to an Annual Conference as do the retired clergy and, thus, this Conference is also the appropriate organization to designate a housing/rental allowance for disabled ordained or local pastors who are members of this Conference.*

An amount equal to 100% of the pension payments received by a retired clergy, or 100% of the disability payments received by a disabled clergy, is designated as rental/housing allowance respectively for each retired or disabled ordained or local pastor of The United Methodist Church who is or was a member of the Northern Illinois Conference at the time of retirement or

1 *disability.*

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3 F. Special Grants

4 1 For the 2020 Northern Illinois Conference Session the Board of Pensions approved
5 grants for participants meeting the following eligibility criteria:

6 a. Members of the Northern Illinois Annual Conference who retired from an
7 appointment in the conference;

8 b. Who have at least 15 years of service prior to 1982 compensated at the Past
9 Service Rate (excludes those at the DBSM rate); and,

10 c. Who have less than 10 years of service to Northern Illinois Conference
11 appointments served while enrolled in the MPP program.

12 2. For 1/1/2021 the amount provided to eligible participants will be \$655 times their pre-
13 82 years of service. This amount will remain in place until otherwise changed by the
14 Board of Pensions

15 3. The Conference Board of Pensions also recommends the special grant previously given
16 to Vernon L. Bell be continued for his widow, Enid. Mr. Bell died March 17, 1995. He
17 served 11 years as a full member of the Northern Illinois Conference from June 13, 1954,
18 to August 15, 1965. He took voluntary Leave of Absence from 1965 and Honorable
19 Location in 1966. The service rate at the time of his voluntary location was \$77. Thus, we
20 recommend for the year commencing July 1, 2020, to June 30 2021, a grant be paid to
21 Mrs. Bell of \$847, actuarially reduced in the same manner as if this grant was paid under
22 the Methodist Ministers Reserve Pension Fund for payments commencing after early
23 retirement date and prior to normal retirement date. Payments shall be paid monthly.

24 4. The Conference Board of Pensions also recommends that a special grant be made to
25 James W. French for his 3.5 years of service with this Annual Conference from June 1,
26 1978 through December 31, 1981. We recommend for the year commencing July 1, 2020
27 to June 30, 2021, a grant of \$140.95 monthly be paid based on the present pension rate,
28 but actuarially reduced since payments are starting prior to full retirement age.

29 III. Group Life Insurance

30 The Conference Board of Pensions enrolls in the UMLifeOptions program. Every eligible retired
31 clergy person will be enrolled in the plan with a benefit of \$5,000 at no cost to the participant.
32 Active clergy persons have \$10,000 in coverage at the NIC expense when an application is filed
33 during the open enrollment period. Coverage beyond this amount is at the cost of the
34 participant and will be billed directly from UMLifeOptions.

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38 **Document: 700.01**

39 **Name: Reduction from Six Districts to Five**

40 **Authors: NIC Cabinet, AC Shepherding Team and CCFA**

41 **CCFA Comment:**

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43 **ACTION:**

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1 The Northern Illinois Annual Conference recommends that we reduce the number of Districts
2 and the number of District Superintendents by one, going from six to five, effective July 1, 2021.

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5 **RATIONALE**

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7 This recommendation is made given the changes in population/demographics, decline in
8 church membership, the number of churches within the Annual Conference and downward
9 financial trends. Also, with onset of technological advances, district work is done more
10 efficiently. Redistricting allows the Annual Conference to more effectively do the work of
11 making disciples of Jesus Christ for the transformation of the world.

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13 The Annual Conference will follow the procedures as outlined in (*paragraph 415.4*) of the 2016
14 Discipline, which gives the Bishop after consultation with the district superintendents, and a
15 vote by the Annual Conference authority to redistrict.

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20 **Document: 700.02**

21 **Name: Clergy Anti-Racism Training**

22 **Authors: Anti-Racism Task Force**

23 **CCFA Comment:**

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25 **ACTION:**

26 The Northern Illinois Conference shall require that all active clergy participate in an anti-racism
27 training workshop at least once per quadrennium. This includes local licensed pastors, deacons,
28 and elders. The Board Of Ordained Ministry shall determine appropriate trainings each year
29 and publicize them to clergy, designating an existing in-person or online training through an
30 organization outside the UMC, or the conference may organize its own training. BOOM shall
31 create a process to keep records of clergy attendance at the trainings and submit records to the
32 cabinet annually. Newly licensed local pastors, newly commissioned clergy, and clergy
33 transferring in from other conferences or denominations shall have four years to complete their
34 first anti-racism training. Exceptions may be requested through the cabinet, although every
35 effort should be made to complete the trainings as soon and as often as possible.

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37 **RATIONALE:**

38 The Anti-racism task force, created in 2019 to support the conference in living out our belief that
39 racism is incompatible with Christian teaching, recommends continual learning of best practices
40 in anti-racism for all clergy so that they might more effectively lead their congregations in this
41 work.