

1 **Document: 640.01**  
 2 **Special Sundays with Offerings for 2023**  
 3 **Author(s): Conference Council on Finance and Administration**  
 4

5 **ACTION:**

6 The Northern Illinois Conference recommends the following Special Sundays with  
 7 offerings for 2023:  
 8  
 9

10 Special Sundays

11  
 12 **General Church Offerings 2023**

13	Human Relations Day	January 15, 2023
14	UMCOR Sunday	March 19, 2023
15	Native American Ministries Sunday	April 23, 2023
16	Peace with Justice Sunday	June 4, 2023
17	World Communion Sunday	October 1, 2023
18	United Methodist Student Day	November 26, 2023

19  
 20  
 21 **Conference Offerings 2023**

22	Scouting Ministries	Any Sunday in February or March*
23	Golden Cross	May 7, 2023
24	Volunteers in Mission	Any Sunday in July or August
25	Christian Education	September 3, 2023
26	Accessibility Sunday	November 5, 2023
27	HIV/AIDS Awareness	December 3, 2023
28	United Voices for Children	Every 5th Sunday (January, April, July, October, December)

29  
 30  
 31 \* This fund supports Boy Scouts, Girl Scouts, Campfire, 4-H, Big Brothers and Big Sisters, and  
 32 Amachi programs.  
 33

1 **Document: 650.01**  
 2 **Minimum Salaries for Full-Time Clergy**  
 3 **Author(s): CCFA Task Force on Equitable Compensation**

4  
 5 **ACTION:**

- 6  
 7 1) Minimum salaries for full-time clergy appointed in the NIC will be as follows, showing  
 8 an increase of 3% for the next fiscal year:  
 9

YEAR OF INITIAL APPOINTMENT (minimum salary set at the beginning of a new appointment, typically July 1)							
	2017 (\$34,200)	2018 (\$34,450)	2019 (\$34,800)	2020 (\$35,300)	2021 (\$36,360)	2022 (\$36,360)	2023 (\$37,500)
Resolution passed in:							
2017 for FY 2018	\$34,542						
2018 for FY 2019	\$34,887	\$34,795					
2019 for FY 2020	\$35,375	\$35,282	\$35,287				
2020 for FY 2021	\$36,437	\$36,341	\$36,346	\$36,359			
2021 for FY 2022	\$36,437	\$36,341	\$36,346	\$36,359	\$36,360		
Proposed in 2022 for FY 2023	<b>\$37,530</b>	<b>\$37,431</b>	<b>\$37,436</b>	<b>\$37,449</b>	<b>\$37,450</b>	<b>\$37,450</b>	

10  
 11 *Chart interpretation: Each year, a minimum salary is set for new appointments. This salary amount is*  
 12 *listed in the first row, beneath the year the new appointment is made (which typically begins July 1.) A*  
 13 *minimum salary is also set for appointments made in previous years. The number listed in the column*  
 14 *beneath each year indicates the minimum salary for the pastor appointed to that charge each fiscal year*  
 15 *(which typically begins January 1.) Numbers in bold print in the bottom row are the minimum salaries*  
 16 *recommended to the Annual Conference in 2022.*

- 17  
 18 2) Local churches are to provide at a minimum of \$5,500\* for accountable reimbursements  
 19 for their appointed pastor. This covers costs related to travel, continuing education, and  
 20 other expenses incurred in the course of providing pastoral ministry. Information about  
 21 accountable reimbursements can be found at: Accountable Reimbursement Policy Q&A

1           *\*This year, the recommendation is to increase this amount from \$5,000 to \$5,500 to take*  
2           *into account rising fuel costs.*

3  
4  
5   **RATIONALE:**

6  
7   While the cost of living adjustment (COLA) established by the SSA for 2022 is 5.9%, CCFA is  
8   recommending an increase in minimum required salaries of 3%, with the following comments:  
9

- 10       • A portion of the COLA is due to rising energy/utility costs; a good portion of these costs  
11       are already largely assumed by churches as they provide both utility-covered  
12       parsonages to clergy and reimbursement for travel expenses. (see Action point 2 for  
13       details.)
- 14
- 15       • The NIC took steps in 2020 to increase the minimum required salary to more closely  
16       match the average salary in the North Central Jurisdiction (approving an increase of  
17       3%). In addition, health insurance premiums continue to be fully covered by the local  
18       churches at a yearly cost of \$19,200. This benefit helps to make the overall compensation  
19       package of full-time clergy in the NIC more equitable to other conferences in the NCJ.  
20
- 21       • Together with base compensation, church-paid health insurance premiums, accountable  
22       reimbursements, and church-paid pension contributions, the total minimum  
23       compensation package for full-time clergy is \$68,200. In addition, churches provide  
24       housing through utility-covered parsonages or cash housing allowances, which  
25       completes the compensation package. This total has become increasingly difficult for  
26       un-yoked churches to maintain full-time clergy. The NIC seeks to maintain as many  
27       full-time appointments as possible to fulfill the guarantee of a full-time appointment for  
28       our commissioned and ordained elders. As a result, we may continue to see an increase  
29       in multiple-point charges for full-time clergy to serve.

1 **Document Number: 680.01**

2 **Name: Benefit Programs**

3 **Author(s): Lonnie Chafin and Katherine Paisley**

4 **CCFA: No action required**

5  
6 **Action:**

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

10  
11 **I. Health Insurance**

12 The Conference Board of Pensions recommends that the Annual Conference establish the  
13 following policies and procedures for administration of the Conference Health Care Program,  
14 effective January 1, 2023.

15  
16 **A. Mandatory Coverage**

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

20

Category	<i>Discipline 2016</i>
Elder in full connection (including those from another Methodist denomination and those from another conference) appointed to full-time 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

21  
22 2. Elders appointed to disability status prior to age 65 will be covered under the conference  
23 plan until they are eligible for Medicare or for Social Security disability at the cost of the  
24 Conference Board of Pensions and Health Benefits. At age 65 from a premium payment  
25 standpoint, each will be treated as retired pastors and subject to the HRA guidelines  
26 explained in Section D of this Resolution.

27  
28 **B. Release from Mandatory Coverage - THE PILOT PROGRAM**

29 1. Clergy members may waive mandatory coverage only with the consent of the Conference  
30 Board of Pensions when enrolled in an Affordable Care Act plan, Medicare, Tricare,  
31 CHAMPUS, or on a plan provided by a spouse's employer. The objective of allowing Churches  
32 to opt out of HealthFlex is to provide a means to help Churches lower the cost of medical  
33 insurance and be able to maintain the promised medical benefit to NIC pastors. To elect this  
34 option the Churches agree to the following:

- 35 a) Agree to pay the monthly HealthCare premium established by the Conference Board of  
36 Pensions.

- 1 b) Each quarter the Churches will receive a rebate of one month's premium of the  
 2 HealthCare premium.  
 3 c) The clergy person will receive a reimbursement check from the conference equal to the  
 4 amount of the alternative coverage and an estimate of the taxes owed for the amount.  
 5 The maximum amount the Conference Board of Pensions will provide in cash is \$1,000  
 6 per month to support clergy to enroll with an alternative carrier and to help pay for  
 7 additional personal taxes. The amount provided by the Conference is considered as  
 8 taxable cash compensation.  
 9 d) If Churches fail to make premium payments the Conference holds the right to  
 10 discontinue the cash support provided to the Pastors.  
 11

### 12 C. Local Church and Extension Ministry Coverage Options

13 1. A local church or extension ministry may elect health insurance in the conference plan  
 14 available to participants in the following categories **who meet the required eligibility criteria:**  
 15

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 elder 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 granted Sabbatical Leave from a local church appointment for up to one year if enrolled in the health program at time of request and Board of Ordained Ministry designates a premium paying unit with their approval.	351	Board of Ordained Ministry or participant
Elder of the Annual Conference granted Medical leave from an appointment with an NIC local church or within the connectional structure for up to 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

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

12  
 13 **D. Retirement Health Administration -**

- 14 1. For 2023, the Conference extends a program of support for some retired clergy persons  
 15 in continued clergy relationship to the Conference. The program commitment is for one  
 16 year only and is a nonvested benefit to certain clergy retirees of the annual conference.  
 17 To qualify, the retired clergy person must be a member of the Conference on January 1,  
 18 2023, or be a dependent of a current clergy member or surviving spouse of a clergy  
 19 person in good standing at the time of death.
- 20 2. Clergy persons enrolled in the health plan or participating in the pilot program (Section  
 21 B, above), at Mandatory Retirement (Discipline paragraph 357.1), Early Retirement  
 22 (Discipline paragraph 357.2b), Full Retirement (Discipline Paragraph 357.2c), or  
 23 Involuntary Retirement (Discipline paragraph 357.3) may be eligible for health benefits  
 24 in retirement through the conference plan if such enrollment or participation is for the  
 25 continuous five years prior to retirement. No clergy member retiring under the "20-  
 26 year rule" (Discipline paragraph 357.2a) is eligible for retiree health coverage.
- 27 3. A clergy spouse (or surviving spouse after death of an active member) enrolled in the  
 28 health plan 5 consecutive years before retirement or enrolled when first eligible for  
 29 coverage (when prior to participant's retirement) is eligible for coverage after retirement.  
 30 The family status of the participant cannot change during retirement, except in cases of  
 31 adoption, childbirth or death. Participants electing to not participate in retirement  
 32 health plan at time of retirement may not elect to enroll at a later time.
- 33 4. Upon retirement the annual conference shall establish a Health Reimbursement Account  
 34 (HRA) for the household in the retiree's name. Participants and their spouses who meet  
 35 the retiree eligibility rules may use the funds in the HRA to pay for medical expenses  
 36 including premiums, co-pays, deductibles, dental services, medical services,  
 37 coinsurance, etc. Like a savings account, the funds do not need to be expended by the  
 38 end of the calendar year and balances roll forward when unused.
- 39 5. For 2023, the annual conference will provide a benefit equal to \$100 per year of  
 40 ministerial service. This benefit also extends to the Pastor's spouse . This amount is

1 subject to change based on the needs and circumstances of the Conference and/or  
2 participants.

- 3 6. Only the first 40 years of service shall be tabulated when determining the amount of  
4 benefit. In the case of clergy couples, the clergy member with the highest number of  
5 years of service, up to the cap of 40, shall determine the benefit amount.
- 6 7. Ministerial service years are determined by the Conference Board of Pensions and  
7 Health Benefits. Only years served under appointment to Northern Illinois Conference  
8 local churches or connectional structure are considered in the HRA calculation. Special  
9 exceptions may be made based on approval by NIC Board of Pensions. Any counting of  
10 service years earned by service to non-Northern Illinois Conference appointments  
11 recognized prior will not be recognized effective January 1, 2022 or after.
- 12 8. The Conference at the discretion of their Board of Pension has the right to change or  
13 modify the retiree benefit and or contributions at any time. The annual conference does  
14 not make a commitment to additional funding in future years.
- 15 9. Full Time Lay Conference employees of the annual conference with 5 continuous years  
16 of coverage before retirement will have a contribution equal to \$100 per year of service  
17 to the annual conference deposited in their HRA annually. Eligibility for the HRA is  
18 contingent on a participant's enrollment in Medicare B and engagement with the  
19 Conference's selected provider.
- 20 10. The Conference Board of Pensions and Health Benefits engages Via Benefits to aid clergy  
21 retirees aged 65 and above in selection of suitable Medicare supplement coverage and to  
22 act as a patient advocate when necessary. To receive the HRA benefit eligible  
23 participants must enroll through the Via Benefits program and be enrolled in Medicare B.  
24 Clergy who retire prior to 65 and meet the eligibility rules will have the HRA equivalent  
25 deducted from the cost of their conference provided medical coverage until they reach  
26 Medicare eligibility, enroll in Medicare B and enroll in Supplemental programs through  
27 Via Benefits. Retired clergy will be responsible for costs of coverage in excess of that  
28 HRA amount.

#### 29 30 **E. Active Health Administration**

- 31 1. Monthly premiums are billed to each charge or salary-paying unit at rates established by  
32 the Conference Board of Pensions. Premiums are due the first of each month. Accounts  
33 90 days in arrears are subject to termination as explained in the arrearage policy  
34 approved by the Board and the NIC Cabinet. This policy describes the efforts that will  
35 be made by the Conference office and the Cabinet to work with Churches that are more  
36 than 90 days in arrears. If all efforts to receive payment or develop a payment plan have  
37 been exhausted, then termination of coverage may be the final option. Notification of  
38 accounts in arrears will be provided to the District Superintendent, the pastor, the local  
39 church PPRC chair, and the local church treasurer prior to termination.
- 40 2. If a participant enrolls in one of the HealthFlex Exchange programs that require a  
41 payroll deduction to the Conference and those deductions are not made the Conference  
42 can have the participant placed in a plan that does not require a payroll deduction.
- 43 3. Churches should care that tax reporting is correctly administered for all payroll  
44 deductions around health insurance provisions.
- 45 4. Active participants are able to make choices in the provision of their coverage through  
46 the enrollment period, as made available through Healthflex administration.

1 Problem resolution and inquiries regarding coverage should be directed to the HealthFlex  
2 Team at Wespath 1-800-851-2201.

## 4 **II. Pension Programs**

5 **A. Clergy Retirement Security Program (CRSP) Eligibility.** The General Conference of  
6 the United Methodist Church established the CRSP as the primary pension program for  
7 United Methodist clergy in 2007. Mandatory participation is required when both 1 and  
8 2 are met:

- 9 1. The clergy member relationship to the conference is as a:
  - 10 a. Commissioned Members (Deacon or Elder)
  - 11 b. Elders in Full Connection
  - 12 c. Members of Other Conferences appointed in the Northern Illinois Conference  
13 (paragraph 346.1 appointments)
  - 14 d. Full Time Local Pastors
  - 15 e. Deacons in Full Connection
  - 16 f. Members of other denomination, appointed to service in an NIC local church  
17 if no other pension is provided by their denomination.
- 18 2. The clergy member is under Episcopal appointment half-time or more to the  
19 following service types:
  - 20 a. to local churches in the Northern Illinois Conference
  - 21 b. to the Conference (staff or Cabinet)
  - 22 c. to a Conference controlled entity (such as a campus ministry or ORM)
  - 23 d. to Incapacity leave with CPP benefits
- 24 3. In order to waive participation, a half-time or more appointed clergy member must  
25 sign a waiver form at time of appointment. Please note that persons assigned, but  
26 not appointed are not eligible in the program.
- 27 4. Local churches are encouraged to enroll as a plan sponsor of UMPIP and to make  
28 employer contributions into the accounts of clergy appointed quarter-time.

## 29 **B. Clergy Retirement Security Program.**

30 1. **Comprehensive Protection Plan (CPP).** The Comprehensive Protection Plan is the  
31 primary death and disability benefit for enrolled clergy. The billing rate for CPP will be  
32 established by the Conference office. Appointments with compensation less than full  
33 time and those that were considered under special arrangements will be covered and  
34 billed based on rates established by UMLifeOptions.

### 35 **2. CRSP - Defined Contribution**

- 36 a. The CRSP pension program includes a defined contribution component. Each  
37 clergy member will have 2% of plan compensation deposited in an individual  
38 account at the Wespath. All contributions into the account are invested and the  
39 enrolled clergy member receives the appreciated value of the account upon  
40 retirement.
- 41 b. Clergy persons are encouraged to contribute 1% of their plan compensation into  
42 their UMPIP account as a salary deduction. The annual conference will match  
43 the first 1% of UMPIP contributions paid into the participants CRSP-DC account.
- 44 3. **CRSP - Defined Benefit program.** With the defined benefit component each enrolled  
45 clergy member will receive a monthly cash benefit from the plan upon retirement.  
46 Funds collected from local churches are used for annual contributions made by the  
47 conference will be invested by Wespath so that the NIC obligation can be met. A



1 portion of defined benefit funding may accrue to a reserve fund for funding future  
2 variation in market results and other benefits to retirees and future retirees.

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

#### 7 8 **D.Pre-82 Defined Benefit Past Service Rate for 2021**

9 1. The Conference Board of Pensions recommends that the annual pension rate for  
10 service prior to 1982, effective January 1, 2023, be \$605 per service year, an increase of 0% from  
11 2022. Surviving spouses shall be supported at the rate of 85% of participant pension benefit  
12 amounts. Special grants will be provided as identified in Section F.

13  
14 **E. Excludable Housing allowance for retired clergy.** In accordance with the Private Ruling  
15 Letter from the Internal Revenue Service, the Northern Illinois Conference Annual Conference  
16 Session reaffirms the limits to housing allowance exclusion for retired and disabled clergy  
17 found in the Standing Rules, at Section IV. C. 1, which states: *Disabled clergy have the same legal*  
18 *relationship to an Annual Conference as do the retired clergy and, thus, this Conference is also the*  
19 *appropriate organization to designate a housing/rental allowance for disabled ordained or local pastors*  
20 *who are members of this Conference.*

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

#### 25 26 **F. Special Grants**

- 27 1 Beginning in 2020 Northern Illinois Conference Session the Board of Pensions approved  
28 grants for participants meeting the following eligibility criteria:
- 29 a. Members of the Northern Illinois Annual Conference who retired from an  
30 appointment in the conference;
  - 31 b. Who have at least 15 years of service prior to 1982 compensated at the Past  
32 Service Rate (excludes those at the DBSM rate); and,
  - 33 c. Who have less than 10 years of service to Northern Illinois Conference  
34 appointments served while enrolled in the MPP program.
- 35 2. For 1/1/2023 the amount provided to eligible participants will be \$700 times their pre-  
36 82 years of service calculated at the PSR. This amount will remain in place until  
37 otherwise changed by the Board of Pensions
- 38 3. The Conference Board of Pensions also recommends that a special grant be made to  
39 James W. French for his 3.5 years of service with this Annual Conference from June 1,  
40 1978 through December 31, 1981. We recommend for the year commencing July 1, 2022  
41 to June 30, 2023, a grant of \$140.95 monthly be paid based on the present pension rate,  
42 but actuarially reduced since payments are starting prior to full retirement age.

#### 43 **III. Group Life Insurance**

44 The Conference Board of Pensions enrolls in the UMLifeOptions program. Every eligible  
45 retired clergy person will be enrolled in the plan with a benefit of \$5,000 at no cost to the  
46 participant. Active clergy persons have \$10,000 in coverage at the NIC expense when an

- 1 application is filed during the open enrollment period. Coverage beyond this amount is at the
- 2 cost of the participant and will be billed directly from UMLifeOptions.