

FINANCIAL FOUNDATIONS



A 15% APPORTIONMENT IN 2022 AND OPTIONS FOR BOOSTING YEAR-END GIVING

In 2022, the apportionment percentage will be going from 16% to 15%. The goal is to walk this percentage down to 10% by 2027. Back in 2014 when the conference switched the method of apportionments from a complex formula to a straight percentage of operating income, the hope was to bring the percentage down to 10% (i.e., a tithe). By asking a tithe from our churches that sets a good example as well as reminds the giver and receiver that this money is given to the work of Jesus Christ through the conference.

Part of the reason for switching apportionments to a percentage of income was to tie the conference budget to the financial health of our churches. If churches declined, the conference budget would decrease. If churches prospered, the conference budget would increase. One practical way of helping our churches prosper is by making sure more of their income stays with them. That way they have adequate resources to fulfill their God-given purpose within their community while still adequately supporting the conference work of raising up leaders and equipping churches.

The graph to the right shows that United Methodist churches in the Dakotas (in red) have had operating income growing on average by 3-4% while the average in the US (in blue) is to grow by 0-1%.



Personally, I devote a chunk of my time and energy into seeing churches improve their financial position. I encourage you to check out my blog (www.jctaccounting.com). Thanks to the Foundation and especially Diane Weller, I've been posting on how churches can easily accept gifts like grain, stock, IRA donations, and more. The posts and related videos walk through how to accept these gifts and why they are so beneficial to both the donor and the church.

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UNITED METHODIST PERSONAL INVESTMENT PLAN (UMPIP)

The United Methodist Personal Investment Plan (UMPIP) is a 403(b)-retirement plan administered by Wespath Benefits and Investments (Wespath). UMPIP is designed to provide one piece of a clergy's overall retirement portfolio. Dakotas Conference is the plan sponsor for clergy appointed to a church/charge within the conference. Those clergy are immediately eligible to participate.

In 2018, the Dakotas Board of Pensions made the decision that all clergy with an existing participant contribution election at a contribution rate that is lower than the default contribution rate of 3%, all clergy who are not making participant contributions, and all new clergy hires will be automatically enrolled with a contribution rate of 3% of their compensation plus housing. Participants have the opportunity to opt out. This does not affect participants that are already contributing 3% or more.

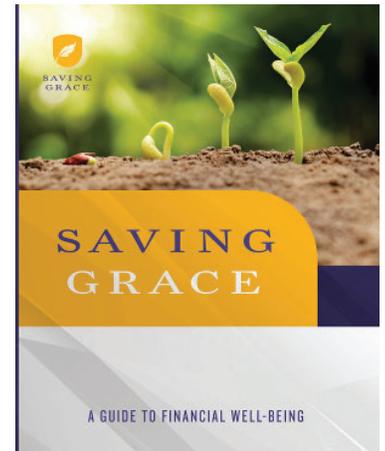
In the coming weeks clergy will receive emails with a link to the contribution election form reminding them to make their yearly election if they want to make any changes.

SAVING GRACE: A GUIDE TO FINANCIAL WELL-BEING

We are excited to have available a new biblically based, Wesleyan tool that helps participants reach financial well-being goals.

Saving Grace: A Guide to Financial Health is a program to help people of faith create healthy relationships with money and possessions. Participants will move through six sessions covering such topics as saving, earning, giving, spending, and debt, along with helpful strategies for achieving a sustainable financial life. Adapted from the best-selling *Freed Up Financial Living* from the Good Sense Movement, this study is based on Wesleyan values and provides text and tools to help participants address life concerns and reach personal financial goals.

If you are interested in participating in this study, please contact Kelsey Morgan at kelsey.morgan@dkmnmf.org. The first two people to contact her will receive a free copy of the materials.



FINANCIAL AND STUDENT LOAN REPAYMENT COUNSELING NOW AVAILABLE FOR CLERGY, CHURCH, AND CONFERENCE STAFF

Our financial health and well-being initiative and team are excited to offer all Dakotas clergy and staff (including employees and immediate family members of our local churches, retreat centers, conference office, and Foundation) the benefits of Financial Choice in partnership with LSS. Financial Choice provides a variety of services but includes financial counseling and student loan counseling, up to six sessions at no charge. These are virtual appointments that improve availability and accessibility to counselors! You are recommended to make an appointment over filling out an online form. Explore these new benefits here: <https://www.lssmn.org/financialcounseling/dkmmnc>. The new year is a great time to start improving your financial well-being!

If you are clergy and interested in student loan repayment through the recently updated Public Service Loan Forgiveness program (for which clergy are now eligible), **call 800.528.2926 and ask to set a Student Loan Repayment Counseling (SLRC) appointment with Dan Park or April Sanderson.**

If you reside in South Dakota and prefer working in person with a counselor, **LSS of South Dakota** has financial and student loan counselors who can also be helpful to this process in Sioux Falls, Yankton, Vermillion, and Brookings. Contact Diane Owen directly to learn more about this option at diane.owen@dkmnareaumc.org.