

Board of Pensions Assistance Program

In January 2025, a new Board of Pensions plan will take effect, impacting churches across our Presbytery. Recognizing the financial strain this may place on our congregations, we propose a structured assistance program to help churches manage the increases in pension costs. This proposal outlines a phased support strategy and the introduction of need-based scholarships starting in 2028.

Objectives

1. **Provide Immediate Financial Relief:** Alleviate the immediate financial burden of increased pension costs for churches in our Presbytery.
2. **Gradual Reduction of Support:** Phase out financial support over a three-year period to encourage financial planning and adjustment.
3. **Establish Long-Term Assistance:** Implement a need-based scholarship program to support churches with ongoing financial challenges.

Details of the Assistance Program

Year 2025: Initial Support

- **Objective:** Identify churches whose costs will increase as a result of the changes. Provide substantial relief to churches facing increases in pension costs.
- **Action:** The Presbytery will cover 75% of the increase in pension costs for each church.

Year 2026: Continued Support

- **Objective:** Encourage churches to adapt to the new pension costs while still providing significant support.
- **Action:** The Presbytery will cover 50% of the increase in pension costs between 2025-2026 for each church identified at the time the BOP changes took effect.

Year 2027: Gradual Reduction

- **Objective:** Gradually reduce support to help churches transition to bearing the full cost.
- **Action:** The Presbytery will cover 25% of the increase in pension costs between 2026-2027 for each church identified at the time the BOP changes took effect.

Year 2028 and Beyond: Need-Based Scholarships

- **Objective:** Provide targeted assistance to churches in genuine need of financial support.
- **Action:** Establish a need-based scholarship program. Churches will need to apply annually for assistance, demonstrating their financial need and the impact of pension cost increases on their budget.

Application Process

Churches will be required to submit an application to the Care for Congregations POD detailing their financial situation, the impact of the pension cost increase, and the steps they are taking to manage their budget. See attached application.

Evaluation Process

The Care for Congregations POD will review applications and award grants. The committee will report back to Leadership POD and Presbytery any grants issued.

Budget and Funding

Presbytery will set aside \$30,000 of investment funds to cover the potential cost of this program.

Implementation Timeline

- Preparation Phase (2024): Communicate the upcoming changes and support plan to all churches in the Presbytery. Establish the application process and committee for need-based scholarships.
- Implementation Phase (2025-2027): Provide financial assistance according to the outlined plan.
- Evaluation Phase (2027): Assess the effectiveness of the support program and make necessary adjustments before transitioning to the need-based scholarship program.
- Long-Term Phase (2028 and Beyond): Launch the need-based scholarship program and continue to support churches as needed.

Conclusion

This phased assistance program demonstrates our commitment to supporting the financial health of our churches during the transition to the new Board of Pensions plan. By providing immediate relief and establishing a long-term support mechanism, we aim to help our churches navigate this change with confidence and stability.

We request the Leadership POD to approve this proposal and allocate the necessary resources to ensure its successful implementation.

APPLICATION FOR BOARD OF PENSION COST ASSISTANCE

Church Information

Church Name:

Address:

Contact Person:

Contact Person's Title:

Phone Number:

Email Address:

Financial Information

Current Annual Budget:

Current Pension Costs:

Expected Increase from previous year in Pension Costs (for the year applying):

Brief (5 sentences or less) explanation of Financial Need.

Brief description of steps your church is taking to manage an increasing budget and costs.

Expected Assistance

- In 2025, 75% of increase from previous year (2024).
- In 2026, 50% of increase from previous year (2025).
- In 2027, 25% of increase from previous year (2026).

Declaration

We declare that the information provided in this application is accurate and complete to the best of our knowledge. We understand that the assistance provided by the Presbytery is contingent on the availability of funds and the review process conducted by the designated committee.

Signature of Contact Person:

Date:

Submission

Please submit this application and all supporting documents to:

Presbytery Office
5555 S Washington St A
Grand Forks, ND 58201
pnpoffice@gmail.com
701-248-0227