

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

This funding plan incorporates, to the best of our understanding, the plan sponsor's obligations and funding of the benefits provided to clergy and laity, as noted below.

It is understood by the signees that defined benefit plan liabilities [Pre-82 Plan, Ministerial Pension Plan (MPP) and Clergy Retirement Security Program Defined Benefit (CRSP DB) and other sponsored defined benefit plans] continue until the last benefit is paid to participants and their surviving spouses irrespective of the funding level of the plan. That is, even if the assets in the plan are larger than the liabilities in the plan, the plan sponsor still has a liability (obligation) and potential future contribution due to the plan.

Benefit Obligations Summary

Plan Contributions for 2026

Clergy Retirement Security Program (CRSP) DB	\$0
Clergy Retirement Security Program (CRSP) DC	\$0
Ministerial Pension Plan (MPP)	\$0
Pre-82 Plan (Pre-82)	\$75,884
United Methodist Personal Investment Plan (UMPIP) Lay	\$56,344
United Methodist Personal Investment Plan (UMPIP) Clergy	\$0
Other Defined Contribution (DC) Obligations	\$696,897
Other Defined Benefit (DB) Obligations	\$0
Health—Active Participants	\$2,325,648
Health—Additional Sponsored Coverage	\$33,882
Post-Retirement Medical (PRM)	\$910,771
Comprehensive Protection Plan (CPP)	\$189,338

Ongoing Funding Contributions

Pre-82 Plan (Pre-82)	\$0
Post-Retirement Medical (PRM)	\$205,732

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Conference Benefit Officer (or equivalent)	Joann Early	08/11/2025
Conference Treasurer	James Ducker	08/11/2025
Conference Board of Pension Chair	Curtis Van Dyke	08/11/2025
Council on Finance and Administration Chair		



Opinion on **Dakotas Conference 2026** Comprehensive Benefit Funding Plan

The funding plan meets the standards for a Pre-82 funding plan as established by Wespath Benefits and Investments and the favorable opinion requirements for a funding plan. Note: The statement above and any written opinion provided by Wespath do not imply any representation as to the ability or probability of the applicable plan sponsor to fulfill the obligations included in the funding plan.

Wespath Benefits and Investments

Wespath Benefits and Investments
1901 W Chestnut Ave
Glenview, IL 60025

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Accounts

Wespath Accounts		Market Value as of 12/31/2023	Market Value as of 12/31/2024	
ACTIVE HEALTH		\$1,106,613	\$1,552,392	
Pre-82 designated assets	\$0	Investment Objective	Long-term	
PRM designated assets	\$0	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%
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CARE AND CONCERN		\$160,439	\$167,554	
Pre-82 designated assets	\$0	Investment Objective	Intermediate-term	
PRM designated assets	\$0	Actual Allocation	Equity	0.00%
			Fixed	32.46%
			Short-term	67.54%
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DEPOSIT ACCOUNT		\$16,247	\$110,710	
Pre-82 designated assets	\$0	Investment Objective	Short-term	
PRM designated assets	\$0	Actual Allocation	Equity	0.00%
			Fixed	0.00%
			Short-term	100.00%
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ENDOWMENT AND TRUST FUND		\$4,712,763	\$4,900,211	
Pre-82 designated assets	\$0	Investment Objective	Long-term	
PRM designated assets	\$0	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%
<hr/>				
HEALTHFLEX DEPOSIT ACCOUNT		\$10,695	\$33,180	
Pre-82 designated assets	\$0	Investment Objective	Short-term	
PRM designated assets	\$0	Actual Allocation	Equity	0.00%
			Fixed	0.00%
			Short-term	100.00%

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Wespath Accounts		Market Value as of 12/31/2023	Market Value as of 12/31/2024	
HEALTHFLEX RESERVE		\$2,284,741	\$1,981,738	
Pre-82 designated assets	\$0	Investment Objective	Intermediate-term	
PRM designated assets	\$0	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%
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PENSION RESERVES		\$2,683,845	\$1,498,080	
Pre-82 designated assets	\$0	Investment Objective	Intermediate-term	
PRM designated assets	\$0	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%
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PRE-82 DESIGNATED		\$6,214,377	\$5,713,838	
Pre-82 designated assets	\$0	Investment Objective	Long-term	
PRM designated assets	\$0	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%
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\$	RETIREE HEALTH	\$19,879,012	\$20,669,026	
Pre-82 designated assets	\$0	Investment Objective	Long-term	
PRM designated assets	\$19,552,523	Actual Allocation	Equity	65.00%
			Fixed	35.00%
			Short-term	0.00%

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Non-Wespath Accounts

		Market Value as of 12/31/2023		Market Value as of 12/31/2024
Benefits Office Reserves		\$539,305		\$556,775
Pre-82 designated assets	\$0		Investment Objective	Short-term
PRM designated assets	\$0		Actual Allocation	Equity 0.00%
				Fixed 0.00%
				Short-term 100.00%

Pension Liability Funds - Board of Pensions		\$785,313		\$797,893
Pre-82 designated assets	\$0		Investment Objective	Short-term
PRM designated assets	\$0		Actual Allocation	Equity 0.00%
				Fixed 100.00%
				Short-term 0.00%

§ *A portion of this account has been designated as plan assets. The allocated amounts will be shown separately on the Allocation screen and will not be included in the Market Value for this account.*

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Incoming Money

Primary Sources

Estimated amount for 2026

Apportionments		\$376,867
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Annual Apportionment		\$376,867
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x Expected Collection Percentage		100.00%
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Direct Billing

Other Sources

Endowment

Investment Earnings

Refer to the following "Allocate Funding Sources" pages for actual amounts allocated from the above funding sources.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Allocate Funding Sources to Benefit Obligations

Funding Sources		Active Health	Care And Concern	Pension Reserves	Pre-82 Designated	Retiree Health
Available Balance		\$1,552,392	\$167,554	\$1,498,080	\$5,713,838	\$1,116,503
Total Allocated		\$0	\$0	\$0	\$75,884	\$1,116,503
Remaining Balance		\$1,552,392	\$167,554	\$1,498,080	\$5,637,954	\$0
Plan Contributions for 2026						
CRSP DB						
CRSP DC						
MPP						
Pre-82	\$75,884				\$75,884	
UMPIP Lay	\$56,344					
UMPIP Clergy	\$0					
Compass Retirement Plan	\$610,538					
Medicare Part B Subsidy for Surviving Spouses	\$66,359					
Premium and Medical Grants	\$20,000					
Health Active	\$2,325,648					
Health Additional	\$33,882					
Post-Retirement Medical	\$910,771					\$910,771
CPP	\$189,338					
Ongoing Funding Contributions						
Pre-82						
Post-Retirement Medical	\$205,732					\$205,732

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Allocate Funding Sources to Benefit Obligations

Funding Sources		Deposit Account	Endowment And Trust Fund	Healthflex Deposit Account	Healthflex Reserve	Pension Liability Funds - E
Available Balance		\$110,710	\$4,900,211	\$33,180	\$1,981,738	\$797,893
Total Allocated		\$0	\$53,113	\$0	\$477,108	\$0
Remaining Balance		\$110,710	\$4,847,098	\$33,180	\$1,504,630	\$797,893
Plan Contributions for 2026						
CRSP DB						
CRSP DC						
MPP						
Pre-82		\$75,884				
UMPIP Lay		\$56,344	\$5,873			
UMPIP Clergy		\$0				
Compass Retirement Plan		\$610,538				
Medicare Part B Subsidy for Surviving Spouses		\$66,359			\$66,359	
Premium and Medical Grants		\$20,000	\$20,000			
Health Active		\$2,325,648	\$27,240		\$386,354	
Health Additional		\$33,882			\$24,395	
Post-Retirement Medical		\$910,771				
CPP		\$189,338				
Ongoing Funding Contributions						
Pre-82						
Post-Retirement Medical		\$205,732				

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Allocate Funding Sources to Benefit Obligations

Funding Sources		Benefits Office Reserves	Apportionments	Direct Billing	Endowment	Investment Earnings
Available Balance		\$556,775	\$376,867			
Total Allocated		\$0	\$376,867	\$2,395,021		
Remaining Balance		\$556,775	\$0			
Plan Contributions for 2026						
CRSP DB						
CRSP DC						
MPP						
Pre-82		\$75,884				
UMPIP Lay		\$56,344	\$50,471			
UMPIP Clergy		\$0				
Compass Retirement Plan		\$610,538	\$50,612	\$559,926		
Medicare Part B Subsidy for Surviving Spouses		\$66,359				
Premium and Medical Grants		\$20,000				
Health Active		\$2,325,648	\$258,904	\$1,653,150		
Health Additional		\$33,882		\$9,487		
Post-Retirement Medical		\$910,771				
CPP		\$189,338	\$16,880	\$172,458		
Ongoing Funding Contributions						
Pre-82						
Post-Retirement Medical		\$205,732				

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Allocate Funding Sources to Benefit Obligations

Funding Sources		Prm In-Plan & Outside Assets
Available Balance		\$19,552,523
Total Allocated		\$0
Remaining Balance		\$19,552,523
Plan Contributions for 2026		
CRSP DB		
CRSP DC		
MPP		
Pre-82	\$75,884	
UMPIP Lay	\$56,344	
UMPIP Clergy	\$0	
Compass Retirement Plan	\$610,538	
Medicare Part B Subsidy for Surviving Spouses	\$66,359	
Premium and Medical Grants	\$20,000	
Health Active	\$2,325,648	
Health Additional	\$33,882	
Post-Retirement Medical	\$910,771	
CPP	\$189,338	
Ongoing Funding Contributions		
Pre-82		
Post-Retirement Medical	\$205,732	

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Plan Contributions for 2026		Funding Needed
CRSP DB		\$0
CRSP DC		\$0
MPP		\$0
Pre-82	\$75,884	\$0
UMPIP Lay	\$56,344	\$0
UMPIP Clergy	\$0	\$0
Medicare Part B Subsidy for Surviving Spouses	\$66,359	\$0
Premium and Medical Grants	\$20,000	\$0
Compass Retirement Plan	\$610,538	\$0
Health Active	\$2,325,648	\$0
Health Additional	\$33,882	\$0
Post-Retirement Medical	\$910,771	\$0
CPP	\$189,338	\$0

Ongoing Funding Contribution for 2026		Funding Needed
Pre-82		
Post-Retirement Medical	\$205,732	\$0

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Clergy Retirement Security Program (CRSP)

Plan Overview: The Clergy Retirement Security Program (CRSP) is an Internal Revenue Code section 403(b) retirement program providing lifetime income and account flexibility designed for those who serve as clergy of The United Methodist Church. The plan is designed to provide participants with one portion of their overall retirement benefits. CRSP replaced the Ministerial Pension Plan (MPP) effective January 1, 2007.

CRSP consists of two components:

- A defined benefit (DB) plan--provides a monthly benefit at retirement based upon years of credited service to the Church
- A defined contribution (DC) plan--provides a retirement account balance established and funded by the annual conferences

Elections and Estimates

	Final
Eligibility requirement	0%+
Conference Full Time Equivalents (FTE)	0.00
CRSP Defined Benefit (DB)	
Required contribution for 2026	\$0
CRSP Defined Contribution (DC)	
Expected average future annual increases	0.00%
Estimated contribution for 2026	\$0

CRSP DB Denominational Information as of 1/1/2024

Total plan liability	\$(2,592,069,593)
Total plan assets	\$3,021,093,853
Total plan funded status	\$429,024,260
Total plan funded ratio	117%
Plan sponsor's liability percentage	0.7359%

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Key Actuarial Assumptions Used in CRSP DB Cost Calculations

Discount rate	6.25%
Future Denominational Average Compensation (DAC) increases	2.00%
COLA increases for actives	2.00%
Mortality	Pri-2012 TQ Adj, generational projection using MP2020

Calculated values are based upon the assumptions and methods documented in the actuarial valuation report issued in September, 2024.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Ministerial Pension Plan (MPP)

Plan Overview: Supplement Three to the Clergy Retirement Security Program (CRSP), also known as the Ministerial Pension Plan (MPP) provides clergy with a pension benefit for their years of ministry with The United Methodist Church from 1982 through 2006. MPP is an Internal Revenue Code section 403(b) retirement plan. MPP requires that exactly 65% of the account balance must be annuitized when it is to be distributed. The remainder may be rolled over to UMPIP, another qualified plan or an IRA, or paid in a lump sum.

Elections and Estimates

	Final
Required contributions for 2026	\$0

MPP Denominational Annuities Information as of 1/1/2024

Total MPP annuities liability	\$(3,782,047,675)
Total plan assets	\$4,862,609,615
Total plan funded status	\$1,080,561,940
Total plan funded ratio	129%
Plan sponsor's liability percentage	0.8118%

Future MPP Denominational Annuitants Information as of 1/1/2024

Total participant account balances	\$2,074,596,549
Plan sponsor's participant account balances	\$15,800,339

Key Actuarial Assumptions Used in MPP Annuities Cost Calculations

Discount rate	6.13%
Benefit increases	Based on increases selected by participant
Mortality	Pri-2012 TQ Adj, generational projection using MP2020

Calculated values are based upon the assumptions and methods documented in the actuarial valuation report issued in September, 2024.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Pre-82 Plan (Pre-82)

Plan Overview: Supplement One to the Clergy Retirement Security Program (CRSP), also known as the Pre-82 Plan, provides clergy with a pension benefit for their years of ministry with The United Methodist Church prior to 1982. The Pre-82 Plan was replaced by MPP effective January 1, 1982. If a clergyperson retires within the conference (and does not terminate), the minimum benefit payable is based on two factors:

- 1) Years of service with pension credit--approved by each conference on the recommendation of the Conference Board of Pensions (CBOP) in accordance with plan provisions and The Book of Discipline.
- 2) The conference pension rate (past service rate)--the dollar amount chosen by the conference as the amount payable for each approved year of service with pension credit (may change from year to year).

The number of years of service with pension credit is multiplied by the PSR, and the product is the minimum annual benefit payable to those clergy eligible for Pre-82 Plan benefits. In certain situations, the benefit received from the Pre-82 plan may vary based on the applicability of what is referred to as Defined Benefit Service Money (DBSM), which is the defined contribution feature of the Pre-1982 Plan. At the time that a participant retires, the DBSM account is converted to a life-based benefit. At that point, the clergy's benefit is the greater of the PSR benefit or DBSM benefit. If the conference increases the PSR, the clergy's benefit is recalculated; however the DBSM-based benefit does not change.

Elections and Estimates

	Final
Past Service Rate (PSR)	850
Estimated PSR cost-of-living increase	2.25%
Contingent Annuitant Percentage (CA%)	85 %
Discount rate	6.0000%
Minimum contribution for 2026	\$0
Advanced funding contribution for 2026 payable in 2025	\$75,884

Rationale for each change

Our Board of Pensions approved a 2026 PSR rate of 850 so this is the PSR that should be reflected in our CBFP.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Funding Plan Contribution

Funding plan liability as of 1/1/2024	\$(14,786,735)
Total of in-plan and outside assets	\$14,283,511
Funded status	\$(503,224)
Funded ratio	97%
Funded status projection as of 12/31/2025	\$450,548
Proposed ongoing funding contribution for 2026	\$0

Funding strategy

We plan on using our Pre-82 Designated Funds for any additional contributions to the Pre-82 plan.

Pre-82 Denominational information as of 1/1/2024

Total plan liability	\$(1,400,868,143)
Total plan assets	\$1,727,173,304
Total plan funded status	\$326,305,161
Total plan funded ratio	123%

Calculated values are based upon the assumptions and methods documented in the actuarial valuation report issued in September, 2024.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Health—Active Participants

Elections and Estimates

	Final
Health plan offered to actives	Self-Funded - HealthFlex
Actual annual plan benefit cost paid in 2024	\$2,032,048
Budgeted annual plan benefit cost for 2025	\$2,016,447
Projected annual plan benefit cost for 2026	\$2,325,648
Expected average future annual increases	5.00%

Rationale for each change

Estimating HealthFlex premiums rise by at least 5%/year. Changed the costs to reflect actual costs (For 2024, not including coverage for those on disability, i.e., Health Other), and budgeted amounts for 2025 and 2026.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Health—Additional Sponsored Coverage

Categories of participants who are provided health benefit coverage during periods of non-employment. Without plan sponsor-funded premiums, these participants would not be provided coverage or benefits.

Clergy or lay on disability (including pending disability)

Surviving spouses or children of deceased active participants

Coverage Obligations

Covered Category	Estimated obligation as of 12/31/2023	Estimated obligation as of 12/31/2024
Clergy or lay on disability (including pending disability)	\$283,500	\$30,732
Surviving spouses or children of deceased active participants	\$12,000	\$0
Total	\$295,500	\$30,732

Annual cost calculation

The following calculations are not a present value of future costs.

Total estimated obligation as of 12/31/2024		\$30,732
Average number of years of remaining coverage	÷	1.0000
Estimated annual cost as of 12/31/2024	=	\$30,732
Expected average future annual increases	x	5.00%
Projected annual cost as of 12/31/2026	=	\$33,882

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Post-Retirement Medical (PRM)

Valuation

The most recent actuarial valuation was provided by Willis Towers Watson as of 12/31/2024.
Per *The Book of Discipline*, your next PRM biennial actuarial valuation is required as of 12/31/2026.

PRM Actuarial Valuation as of 12/31/2024

Valuation report (in-plan) assets	\$0
EPBO net plan sponsor cost	\$21,208,886
APBO net plan sponsor cost	\$19,389,638
Service cost net plan sponsor cost	\$205,732
Annual plan benefit cost	\$881,443
Intention regarding PRM	Retain current plan benefit

Participant counts by category	
Active participants	87
Active dependents	60
Retirees	95
Surviving spouses	26
Dependents of retired participants	64
Total participants	332

Key actuarial assumptions	
Census date	01/01/2025
Discount rate	5.50%
Expected return on assets	5.00%
Valuation year medical trend or inflation rate	6.50%
Ultimate medical trend or inflation rate	5.00%
Fiscal year for ultimate medical trend	2031

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Elections and Estimates

Description of Benefit

	Final
Health plan benefit offered to retirees	Via Benefits
Expected average future annual increases	1.65%
Projected annual plan benefit cost as of 2026	\$910,771

Rationale for each change

We calculate the annual cost by using a 16 quarter average balance of the HRA (Retiree Medical) account. That calculation = \$910,807 for 2026. Therefore, I 'backed into' the 1.65% to arrive close to the total for 2026.

Funding Plan Contribution

The following calculations are not a present value of future costs.

Net PRM assets		\$19,552,523
APBO net plan sponsor cost	-	\$19,389,638
Funded status	=	\$162,885
Portion of funded status payable (\$0 if Funded status ≥ \$0)		\$0
Funding plan service cost (\$0 if Net PRM assets ≥ EPBO)	+	\$205,732
Ongoing funding contribution for 2026	=	\$205,732

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Comprehensive Protection Plan (CPP)

Plan Overview: The Comprehensive Protection Plan (CPP) provides death, long-term disability and other welfare benefits for eligible clergy of The United Methodist Church and their families. It is an Internal Revenue Code 414(e) “church plan” funded by plan sponsor insurance premiums. Generally, clergy are eligible to participate in CPP if they satisfy the eligibility requirements, including full-time appointment with plan compensation of at least 25% of the Denominational Average Compensation (DAC). Plan sponsors may elect to cover participants with three-quarter time appointments and/or to continue to cover clergy who, due to certain leaves or appointments, are not otherwise eligible to continue coverage.

The CPP adoption agreement executed by the DAKOTAS contains its elections to cover or not to cover categories mentioned above.

Elections and Estimates

	Final
Expected average future annual increases	3.00%
Estimated premium for 2026	\$189,338

Rationale for each change

Estimated (Budgeted) CPP costs for 2026 decreased slightly due to a more accurate FTE count. Also changed the expected annual increase to 3% to match the expected annual salary increase.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

United Methodist Personal Investment Plan (UMPIP)

Plan Overview: The United Methodist Personal Investment Plan (UMPIP) is an Internal Revenue Code section 403(b) defined contribution retirement savings plan for clergy and lay employees of The United Methodist Church and affiliated organizations. Participants may make before-tax, Roth and/or after-tax contributions through payroll deductions. Participant contributions, various optional plan sponsor contributions and investment earnings comprise the individual's retirement account balance.

United Methodist Personal Investment Plan (UMPIP) Lay

Elections and Estimates

	Final
Expected average future annual increases	3.00%
Estimated contribution for 2026	\$56,344

Rationale for each change

UMPIP Lay Costs will be a bit higher due to changes in Conference Office Staff. Expected annual increase was increased to 3% since this is generally the increase given to staff for Cost of Living increase.

United Methodist Personal Investment Plan (UMPIP) Clergy

Elections and Estimates

	Final
Expected average future annual increases	0.00%
Estimated contribution for 2026	\$0

Rationale for each change

We will no longer have UMPIP Clergy Contributions with the shift to Compass beginning January 1, 2026.

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Other Defined Contribution (DC) Obligations

Name	Estimated annual contribution
Compass Retirement Plan	\$610,538

Description

Compass Retirement Plan (UMC contributions: 3%, Flat Dollar & Employer Match)

	Final
Expected average future annual increases	3.00%
Estimated contribution for 2026	\$610,538

Rationale for each change

This is the budgeted total Compass costs amount we expect in 2026. The 3% increase is based on an estimated salary increase each year of 3% (which is what the compass contribution is based on).

Name	Estimated annual contribution
Medicare Part B Subsidy for Surviving Spouses	\$66,359

Description

Medicare Part B Subsidy for Surviving Spouses

	Final
Expected average future annual increases	0.00%
Estimated contribution for 2026	\$66,359

Rationale for each change

The 2026 cost will be approx. \$66,359.25. We have 339 retirees being reimbursed for their Medicare Part B. They will be reimbursed the 2025 cost (\$185) thru July 1, 2026 then they will be reimbursed the 2026 cost (\$206.50) July 2026 - June 2027. Via Benefits does not adjust the Medicare Part B reimbursement amount in January because the Part B premium is set annually (at beginning of year).

Dakotas Conference (123) 2026 Comprehensive Benefit Funding Plan

Name	Estimated annual contribution
Premium and Medical Grants	\$20,000

Description

Premium and Medical Grants

	Final
Expected average future annual increases	0.00%
Estimated contribution for 2026	\$20,000

Rationale for each change

Actual costs for these grants was \$12,301 in 2024. So our budgeted cost in 2026 was reduced from \$35,000 in 2025 to \$20,000 in 2026.