1. Resolution on Rental/Housing/Household Expense Allowance, in accordance with Federal Guidelines for clergy housing, the following resolution is recommended.

WHEREAS, the religious denomination known as The United Methodist Church (the Church), of which this Conference is a part, has in the past functioned and continues to function through ministers of the gospel (within the meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers of the Church (clergypersons);

WHEREAS, the practice of the Church and of this Conference was and is to provide active Clergypersons with a parsonage or a rental/housing allowance as part of their gross compensation;

WHEREAS, pensions or other amounts paid to active, retired, terminated, and disabled Clergypersons are considered to be deferred compensation and are paid to active, retired, terminated, and disabled Clergypersons in consideration of previous active service; and

WHEREAS, the Internal Revenue Service has recognized the Conference (or its predecessors) as an appropriate organization to designate a rental/housing allowance for Clergypersons who are or were members of this Conference and are eligible to receive such deferred compensation;

NOW, THEREFORE, BE IT RESOLVED:

THAT an amount equal to 100% of the pension, severance, or disability payments received from plans authorized under The Book of Discipline of The United Methodist (the Discipline), which includes all such payments from the General Board of Pensions and Health Benefits (GBOPHB), during the period January 1, 2016 through December 31, 2016, by each active, retired, terminated, or disabled Clergyperson who is or was a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergyperson; and

THAT the pension, severance, or disability payments to which this rental/housing allowance designation applies will be any pension, severance, or disability payments from plans, annuities, or funds authorized under the Discipline, including such payments from the GBOPHB and from a commercial annuity company that provides an annuity arising from benefits accrued under a GBOPHB plan, annuity, or fund authorized under the Discipline, that result from any service a Clergyperson rendered to this Conference or that an active a retired, a terminated or a disabled Clergyperson of this Conference rendered to any local church, annual conference of the Church contributions to or accrue a benefit under, such a plan, annuity, or fund for such an active, a retired, a terminated, or a disabled Clergyperson’s pension, severance, or disability plan benefit as part of his or her gross compensation.

Note: The rental/housing allowance that may be excluded from a Clergyperson’s gross income in any year for federal (and, in most cases, state) income tax purposes is limited under internal Revenue Code section 107(2), and regulation thereunder, to the least of: (a) the amount of the rental/housing allowance designated by the Clergyperson’s employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (b) the amount actually expended by the Clergyperson to rent or provide a home in such year; or (c) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year. Each clergyperson or former clergyperson is urged to consult with his or her own tax advisor to determine what deferred compensation is eligible to be claimed as a housing allowance exclusion.

2. Past Service Rate (PSR): The PSR shall be increased from the 2015 rate of $729.00 for each past service year to $744.00 for each past service year, beginning January 1, 2016. (The past service rate is a defined benefit based upon years of service through December 31, 1981.)

3. Contingent Annuitant Percentage (CAP): The CAP for the surviving spouses shall remain the same for 2016. Former Nebraska and Kansas East conferences have the rate of 85%, and the rate for the former Kansas West conference is at 100%. The former Nebraska and Kansas East conferences rates will be reviewed each year with the possibility of moving the rate to 100% sometime in the future.

4. Special Pension Grants: Continue to provide Special pension grants for the following:

- **Esther R. Miller**, surviving spouse of Alfred Miller. The grant is for 12.5 years of service credit at the surviving spouse contingent annuitant for the former Kansas West Conference (100%).

- **Lance Lingard**, dependent son of Richard H. Lingard, clergyperson of the former Nebraska Conference, (25% of pension rate times years of service of the father) payable to Mrs. Jeanette Lingard Hanson.

- **Kathy Kirkus**, dependent daughter of Eldo Kirkus, clergyperson of the former Nebraska Conference (25% of pension rate times years of service of father).

5. Clergy Retirement Security Program (CRSP) Funding:
● Use the Pre-82 over-funding to fund the 2015 and 2016 CRSP-DB portion while maintaining a minimum funding level of 120%.

● While maintaining a minimum funding level of 120%, use the Pre-82 over-funding to fund the 2015 and 2016 UMPIP contributions needed (2%) to bring the amount up to the funding level of those serving 25%.

● Decrease the percentage of compensation billed to local churches by 1% of compensation making the rate for the CRSP-DB 3% for 2016.

● Maintain the CRSP defined contribution funding and CPP funding at 2% of compensation for each.

● Maximum total contribution for pension and CPP at the local church level will be 8% for 2016 with the understanding that it may be increased in future years.

● Spousal benefit at 85% for (former) Nebraska and Kansas East and 100% for (former) Kansas West.

● Continue PSR increases at or near the level of the average (annual basis) clergy COL.

6. **Use of Reserves:** Establish a 5% fund spending of the pension reserves to be utilized to offset Conference Staff benefit costs, with health insurance benefits coming from the share of unrestricted funds.