

1 **Other terms of the conference healthcare plan continue as is indicated in the**  
2 **introduction to these rules and policies, except to the extent they are in conflict with**  
3 **these rules and policies. In the case of a conflict, the terms and conditions of the**  
4 **other documents that constitute the conference healthcare plan shall apply.**

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6 **Other Administrative Matters and Policies**  
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8 1. The Board of Pensions administers funds, which may help clergy in short-term financial  
9 crisis.

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11 **2. Rental/Housing Allowances for Retired or Disabled Clergypersons of the Kentucky**  
12 **Annual Conference**

13 The Kentucky Annual Conference (the “conference”) adopts the following resolutions relating  
14 to rental/housing allowances for retired or disabled clergypersons of the conference:

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

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

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

26 WHEREAS, the Internal Revenue Service has recognized the conference (or its predecessors)  
27 as the appropriate organization to designate a rental/housing allowance for retired and  
28 disabled Clergypersons who are or were members of this conference;

29 NOW, THEREFORE, BE IT RESOLVED:

30 THAT an amount equal to 100% of the pension or disability payments received from plans  
31 authorized under The Book of Discipline of The United Methodist Church (the  
32 “Discipline”), which includes all such payments from the General Board of Pension and  
33 Health Benefits (“GBOPHB”), during the year 2016 by each retired or disabled  
34 Clergyperson who is or was a member of the conference, or its predecessors, be and  
35 hereby is designated as a rental/housing allowance for each such Clergyperson; and that  
36 the pension or disability payments to which this rental/housing allowance applies will be  
37 any pension or disability payments from plans, annuities, or funds authorized under the  
38 Discipline, including such payments from the GBOPHB and from a commercial annuity  
39 company that provides an annuity arising from benefits accrued under a GBOPHB plan,  
40 annuity, or fund authorized under the Discipline, that result from any service a  
41 Clergyperson rendered to this conference or that a retired or disabled Clergyperson of this  
42 conference rendered to any local church, annual conference of the Church, general  
43 agency of the Church, other institution of the Church, former denomination that is now a  
44 part of the Church, or any other employer that employed the Clergyperson to perform  
45 services related to the ministry of the Church, or its predecessors, and that elected to  
46 make contributions to, or accrue a benefit under, such a plan, annuity, or fund for such  
47 retired or disabled Clergyperson’s pension or disability as part of his or her gross  
48 compensation.

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50 **NOTE:** The rental/housing allowance that may be excluded from a Clergyperson’s gross  
51 income in any year for federal income tax purposes is limited under Internal Revenue

1 Code section 107(2) and regulations there under to the least of: (1) the amount of the  
2 rental/housing allowance designated by the Clergy person's employer or other appropriate  
3 body of the Church (such as this conference in the foregoing resolutions) for such year;  
4 (2) the amount actually expended by the Clergy person to rent or provide a home in such  
5 year; or (3) the fair rental value of the home, including furnishings and appurtenances  
6 (such as a garage), plus the cost of utilities in such year.  
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8 **3. Retiree Death Benefit**

9 The conference will provide death benefit coverage of \$5,000 for retired clergy of the former  
10 Louisville Conference who were enrolled as retirees in the Basic Protection Plan of  
11 GBOPHB at the time of union.  
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13 **4. Moving Expense Support for Retiring Pastors**

14 Ministers who are retiring and are eligible for retirement benefits, or taking  
15 disability/incapacity leave, or families of deceased ministers, moving out of parsonages,  
16 shall be eligible for payment or reimbursement of moving expenses, up to a maximum of  
17 \$2,000. This moving expense reimbursement will be for a move at the time of one of the  
18 above named events. The payment shall be made by voucher. The \$2,000 is intended to  
19 assist with the costs of moving, not necessarily to cover the total moving bill. This  
20 reimbursement is taxable income and must be so reported to the recipient and the Internal  
21 Revenue Service. If payment is made by voucher and submitted by the moving party  
22 with a copy of the moving bill, this reimbursement is taxable income and must be so  
23 reported to the recipient and the Internal Revenue Service. The moving party must then  
24 justify the expense on the proper tax forms to offset the income. The request for payment  
25 shall be made within one month after the date of retirement, or eligibility date.  
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27 **5. Voluntary Transition Program**

28 The Voluntary Transition Program (VTP) was approved by the 2012 General Conference as a  
29 part of the Comprehensive Protection Program (CPP) to provide eligible clergy with a  
30 grace-filled exit from the ministry. The Voluntary Transition Program provides  
31 Transition Benefits including severance pay benefits, continued CPP death benefits and  
32 outplacement services. In addition, the Kentucky Conference Board of Pensions will  
33 contribute on behalf of the clergy person the amount necessary to cover the employee  
34 under the Conference healthcare plan, by paying the active premium rate during the  
35 period of time severance pay benefits are provided. The participant will not be eligible to  
36 continue in the Conference healthcare program at the conclusion of the transition period.  
37 The moving expense support for retiring ministers as described above are not available to  
38 persons leaving ministry through the Voluntary Transition Program.  
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