

## 2026 CAL-PAC PRELIMINARY REPORT

1 THAT the pension, account-based retirement benefits, or disability payments to which this  
2 rental/housing allowance applies will be any pension, account-based retirement benefits, or disability  
3 payments from plans, annuities, or funds authorized under the *Discipline*, including such payments from  
4 Wespath and from a commercial annuity company that provides an annuity arising from benefits  
5 accrued under a Wespath plan, annuity, or fund authorized under the *Discipline*, that result from any  
6 service a Clergy person rendered to this Conference or that a retired or disabled Clergy person of this  
7 Conference rendered to any local church, annual conference of the Church, general agency of the  
8 Church, other institution of the Church, former denomination that is now a part of the Church, or any  
9 other employer that employed the Clergy person to perform services related to the ministry of the  
10 Church, or its predecessors, and that elected to make contributions to, or accrue a benefit under, such a  
11 plan, annuity, or fund for such retired or disabled Clergy person's pension or disability as part of his or  
12 her gross compensation, which includes UMPIP contributions.

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14 NOTE: The rental/housing allowance that may be excluded from a Clergy person's gross income in any  
15 year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and  
16 regulations thereunder to the least of: (1) the amount of the rental/housing allowance designated by the  
17 Clergy person's employer or other appropriate body of the Church (such as this Conference in the  
18 foregoing resolutions) for such year; (2) the amount actually expended by the Clergy person to rent or  
19 provide a home in such year; or (3) the fair rental value of the home, including furnishings and  
20 appurtenances (such as a garage), plus the cost of utilities in such year.

### REC 26-06 | SUPPLEMENT ONE TO THE CLERGY RETIREMENT SECURITY PROGRAM (PRE-82)

23 Supplement One to the Clergy Retirement Security Program (CRSP), also known as the Pre-82 Plan,  
24 provides clergy with a pension for their years of ministry with The United Methodist Church prior to  
25 1982. The Pre-82 Plan was replaced by MPP effective January 1, 1982. However, if a pastor was eligible  
26 to participate and was vested in the Pre-82 Plan, he/she will receive benefits from the plan as before.

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28 For 2026, the Past Service Rate (PSR) is \$867. For 2027, the conference is increasing its PSR to \$893.  
29 This is an increase of 3% over 2026. On average, the conference cautiously estimates future increases to  
30 be approximately 2%, and will thoroughly evaluate each year. The contingent annuitant percentage is at  
31 the 100% level.

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33 Based on the preliminary actuarial valuations from Wespath Benefits & Investments as of January 1,  
34 2025 for 2027 contributions, the portion of the Pre-82 liability attributable to the California-Pacific  
35 Conference and funded status as of 1/1/25 is as follows:

36  
37 Funding Plan Liability as of 1/1/25: \$32,775,578

38 Plan Assets as of 1/1/25: \$47,098,646

39 Current funded status is \$14,323,068 for a 144% funded ratio.

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41 Key assumptions: 6.000% discount rate, using the PRI12TQ Adj (MP20) mortality table.