

SATURDAY AFTERNOON

6. Further Action on Proposed Amendments to the Bylaws

With time available before the scheduled recess, the Moderator called for consideration of some of the proposals for amendments to the Bylaws. On behalf of the Executive Council, Mrs. George E. Kahlenberg presented proposals for amendments to the Bylaws of the United Church of Christ:

Pursuant to Paragraph 90 of the Constitution, the Executive Council proposes that Paragraph 125 of the Bylaws be amended by the deletion of the final seven words, "for publication in the *United Church Herald*."

69-GS-39 VOTED: to amend Paragraph 125 of the Bylaws of the United Church of Christ by the deletion of the final seven words, "for publication in the *United Church Herald*."

Mrs. Kahlenberg presented the proposal to amend Paragraph 134 of the Bylaws. It was

69-GS-40 VOTED: to amend Paragraph 134 of the Bylaws to read:

134. An ordained minister of another denomination who wishes to retain his present denominational standing and who has become pastor of a local church of the United Church of Christ, or serves in an Instrumentality of the United Church of Christ, or has become pastor of a yoked charge or a federated church one part of which is affiliated with the United Church of Christ, or has been called to an ecumenical ministry one constituent of which is the United Church of Christ, may apply to the Association for ministerial standing for the duration of that pastorate or that responsibility, and during that period may have all the rights and privileges of such membership.

NOTE: Paragraphs 125 and 134 as amended are effective immediately.

The Moderator declared the General Synod in recess until 2:00 p.m.

SATURDAY AFTERNOON, JUNE 28, 1969

The Saturday afternoon, June 28, session of the Seventh General Synod was called to order at 2:00 p.m. by Moderator Daniels who presented Assistant Moderator Mrs. Henry E. Hefty.

1. Action on Report on the Pension Boards

The Rev. Vernon A. Loescher, Chairman of the Report Committee, introduced the trustees and executives of the Pension Boards and presented the members of the committee. He then read the Report Committee's report:

The Report Committee with respect to the Pension Boards has examined the reports of the Pension Boards appearing on pages 210-216 of the 1969 *Advance Reports*, met with officers of the Boards, questioned the officers, and discussed at length matters pertaining to the Boards.

The Pension Boards, United Church of Christ, receive periodic payments from their members or for the account of their members during their years of active service. Upon retirement each member is paid an annuity directly related both to the amount of payments received by the Boards for his account plus the interest earned on such payments, and to the life expectancy of the

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member. The ability of the Boards to pay such annuities is assured by adequate reserves.

The Pension Boards are contractually liable to the retiree to provide him with an annuity that is financially sound in the light of payments made in his behalf during active service and the earnings on such payments. In accordance with actions of previous General Synods going beyond this contractual liability, the Boards have been co-operating with the UCC fellowship by distributing to annuitants additional monies received from *Our Christian World Mission* in order to assure that retired ministers of long service and long membership in the Funds will receive at least minimum payments. Present payments are very inadequate (\$1,500 per annum after 30 years of dues-paying membership). Our fellowship has the responsibility for increasing these minimum payments, and an overture from the Illinois South Conference has been received urging such an increase.

Your committee has also reviewed the relief and assistance programs of the Pension Boards which have been made possible by the Christmas Fund for the Veterans of the Cross. This is an important and necessary work expressing the concern of our people for our ministers in times of emergency and special need. It must be continued. We appeal to all the churches of the United Church of Christ to continue their generous support.

The officers of the Pension Boards described to the Report Committee the Family Protection Plan which has been inaugurated for the ministers of the United Church of Christ. The adoption of such a plan had been urged by the Penn West Conference in an overture to the Sixth General Synod in 1967. We urge those Conferences and other groups which do not have satisfactory coverage to qualify as soon as possible.

The officers told the Report Committee of the agreement by the Pension Boards and the Council on Church and Ministry of the United Church of Christ whereby the Pension Boards will accept on July 1, 1969, the responsibility for the administration of the Ministers' Group Health Insurance Program, developed and sponsored in the past by the Council on Church and Ministry, thus combining in one instrumentality responsibility for old age annuities, disability and life insurance and health benefits.

The officers also reported to the Committee the adoption by the Pension Boards of a program of early retirement benefits at age 62 in response to the request of the Sixth General Synod and the overtures presented at that Synod by several Conferences.

The Committee recommends to the General Synod the adoption of the following resolutions:

1. The General Synod urges all churches and organizations of the United Church of Christ to pay to the Pension Boards an amount equal to not less than 11% of the salary basis (cash salary plus parsonage allowance or plus 20% of such cash salary if a parsonage is furnished free of charge by the employer) of each minister employed by such church or organization.

2. The General Synod urges all Conference and Association executives to make every effort to assure that as provided in UCC By-Law 127 the call of a minister include the agreement of the local church to participate in the Pension Funds on the pastor's behalf.

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3. The General Synod notes with satisfaction the establishment by the Pension Boards of a Family Protection Plan providing group life insurance on the lives of ministers and their spouses, long-term disability insurance and continuation of pension dues for disabled ministers, and the assumption by the Pension Boards of the administration of the Ministers' Group Health Insurance Program formerly administered by the Council for Church and Ministry of the United Church of Christ and urges all churches and other organizations of the United Church of Christ to pay the full premiums in the Family Protection Plan and the Ministers' Group Health Insurance Program on behalf of their ministers.

4. The General Synod notes with satisfaction the establishment of an early retirement program (at age 62) by the Pension Boards as requested by the Sixth General Synod.

5. The General Synod commends the Christmas Fund for the Veterans of the Cross to all churches and individuals in the United Church of Christ and urges support of the Fund in the coming biennium.

6. The General Synod urges all churches and other organizations of the United Church of Christ which do not have an adequate retirement plan for their unordained employees, to enroll such employees in the Retirement Fund for Lay Workers.

7. The General Synod notes with satisfaction that the Budget Committee has included in the UCC budget for 1970-71 an amount from *Our Christian World Mission* sufficient to enable the Pension Boards to supplement annuities to assure a minimum of \$1,800 a year to each minister annuitant who has attained age 70, is qualified under the Rules of the Pension Boards, and has 30 years of active dues-paying membership.

69-GS-41 VOTED: The General Synod adopts the foregoing resolutions on the Pension Boards.

The President of the Pension Boards, Mr. William F. Treiber, made additional comments on the report. He said that the members of the Pension Boards consist of ministers and lay members. Some are active members, actively employed; some are retired and are receiving pensions. The Pension Boards are administered by trustees chosen by the members, and are operated for the benefit of the members. The assets of the Boards are derived from payments made by the members and their employers, plus earnings on such payments. The payments have been made in order to provide pensions for the members in their years of retirement. All of the assets of the Boards must be used for this purpose. The trustees are under a legal obligation to invest the funds as prudent men; namely, so as to provide maximum income commensurate with the safety of the investment.

There was comment from the floor that a journal was circulated here at the General Synod which showed that some of the investments of the Pension Boards are with companies or organizations that are discriminatory in their hiring policies and which questioned whether these policies are actively being investigated by the Pension Boards. Mr. Treiber responded that the trustees are quite mindful of the social and economic aspects of the investments and that they would be pleased to discuss these aspects with anyone. Mr. Treiber and

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the trustees agree that it is desirable to make investments in the black economic community assuming that they do not involve an extraordinary risk and do not involve a subsidy with respect to interest.

The Rev. Martin T. Johnson of Massachusetts questioned why the Pension Boards credit only 3% to the members' accounts when banks are paying 8% and 9% to borrow from one another. The earnings that the Pension Boards obtain above 3% are placed in a reserve for the maintenance of dividends which are paid to retired members. In recent years those dividends have been substantial.

Mr. John R. Kernodle of the Southern Conference asked whether there is a written policy guideline for these Boards by which decisions about the social ramifications are made and reviewed. Mr. Loescher replied that there is no written document but the absence of a written document does not evidence a lack of concern.

The Rev. John C. Allen III of the Southern Conference inquired as to what would be done if a member of the Fund give his written permission to use \$1,000 of his own fund in a high risk investment. Mr. Loescher said that this could not be done since the Pension Boards must operate the Funds in such a way as to protect the interest of the churches and the members of the various annuity plans in providing security for both clergy and lay workers through sound retirement plans. Payments to the Pension Boards by churches and individuals can be used only to provide annuities for members.

The Rev. James W. Lenhart of Iowa stated that he attended the 1969 annual meeting of the Pension Boards as a proxy and wanted to say to the General Synod that the members of the pension plans are extremely fortunate in having such men as Mr. Treiber and the investment committee to advise the Pension Boards in the handling of the investment portfolios.

2. Further Action on Proposed Amendments to the Bylaws

At 2:45 p.m. Moderator Daniels called for further consideration of proposals by the Executive Council for amendments to the Bylaws.

Mrs. Kahlenberg, Chairman of the Executive Council, pointed out that Paragraph 179 as adopted on Friday night, June 27, contains a confusion as to *ex officio* and associate delegates which needs clarification. On behalf of the Executive Council the Rev. Fred P. Register moved, there was a second, and it was

69-GS-42 VOTED: That Paragraph 179 of the Bylaws be amended to read:

179. *Ex Officio* delegates. The elected officers of the United Church of Christ, members of the Executive Council, and the Moderator and Assistant Moderators shall be *ex officio* delegates with vote.

and that Paragraph 180 of the Bylaws be amended to read:

180. *Associate delegates*. Unless chosen as Conference delegates, the chairman of the governing body and the principal executive officer of each of the established and the recognized Instrumentalities of the United Church of Christ, the chairman of the governing board and the chief executive officer of each Conference, the chairman of each standing Commission and Committee and the representative of each of the seminaries belonging to the Council