

(MASS), who presented the following resolution:

WHEREAS, this gathered body of the United Church of Christ in this Eleventh General Synod has expressed as a major concern the fair and just consideration of persons with handicaps.

I move: that in the future all major meetings of the United Church of Christ such as General Synod, the Instrumentalities, and the agencies be held only in buildings that are accessible and with conveniences without causing embarrassment for our brothers and sisters with handicaps, and further recommends that all loans and grants from the National Agencies and the Conferences for church buildings and church renovation be conditioned upon the inclusion of architectural accessibility, and further calls upon local congregations to install ramps and adequate facilities in order to insure and enhance full anticipation of persons with handicaps.

The Moderator stated that the resolution would be received and referred to the Executive Council for consideration.

2. INTRODUCTION OF DIVISION G REPORT

The Moderator recognized Elizabeth Skinner, Chairperson of Division G, for the report. The facilitator of the division was Robert Witham.

3. ADVISORY COMMISSION ON PENSIONS

Ms. Skinner called attention to Addendum B, "Report of the Advisory Commission on Pensions", Advance Materials, Section II, pp. 32-35, and the additional materials distributed, containing the changes recommended. She moved the recommendations as amended be adopted and it was seconded.

It was

77-GS-65 VOTED: The Eleventh General Synod adopts the recommendations of the "Report of the Advisory Commission on Pensions," as amended.

Report and Recommendations of the Advisory Commission on Pensions

On June 30, 1975, the Tenth General Synod of the United Church of Christ (75-GS-47) requested the Executive Council to appoint a study commission to:

- I. "Review past and present financial accountability of General Synod in regard to pensions;"
- II. "Explore alternate methods other than Our Christian World Mission funds for supplementing minimum retirement benefits for ministers and then surviving spouses;" and
- III. "Develop and recommend a long-range policy for pension supplementation to be reported to the Eleventh General Synod."

Further, the Tenth General Synod (same motion) requested the Executive Council to appoint an advisory commission to:

- IV. "Evaluate the responsibility of the church for pension security of ministers not now qualified, or only recently qualified, and to recommend guidelines to the Executive Council for the determina-

tion of such qualifications that should be required of such ministers to be eligible for such pension security."

The Executive Council decided to appoint one group, designated as an "Advisory Commission on Pensions," to undertake the assignments requested by the Tenth General Synod. The names of the members of the Commission are to be found at the end of this report.

The Commission has been aided greatly in its work by background material on pensions and pension plans generally, and United Church of Christ plans in particular, which was prepared by Mr. William F. Treiber, a member of the Commission (Advance Materials II). Further help was provided by Dr. Robert L. Bonn of Intelicor-Church Research of New York City, who furnished the Commission with the results of two surveys, authorized by the Commission, with respect to income and pensions of annuitant ministers and their beneficiaries. A copy of this is available in the President's Office.

A report found in Advance Materials II, p. 40-42, prepared by Mr. Treiber, provides a history of supplementary practices pursued by the General Synod of the United Church of Christ and its predecessor bodies. It should be noted here that:

1. United Church of Christ pension plans are basically money-purchase plans.
2. Supplementation for smaller pensions has been provided since the United Church of Christ came into being.
3. As of January 1, 1977, supplementation has been provided to a minimum annual pension of \$2,700 for all minister annuitants aged 70 and over who qualify and of \$2,400 for those between 65 and 70, and of 60% of that amount for their beneficiaries.
4. In 1976, 43% of the minister annuitants, 74% of the retired spouses (those whose clergy spouse had retired before death), and 52% of the surviving spouses (those whose clergy spouse had not retired before death) were receiving pension supplementation.
5. The Pension Boards' budgeted amount for pension supplementation in 1977 is \$915,000. Of this amount \$357,000 comes directly from OCWM funds. \$300,000 comes from a special grant from the United Church Board for Ministerial Assistance and the balance is expected to come from surplus and other special sources.
6. In addition to the \$357,000, in 1977 \$250,500 of OCWM funds are budgeted to provide benefits assured to members of the E Fund and the R Fund, and \$217,000 for administrative expenses of such funds plus MRAF. (See Appendix A Advance Materials II.)

The Commission believes that:

The primary responsibility for providing an adequate pension for a minister lies with the minister's employer—in most cases a local church. Adequate contributions to the Pension Boards on behalf of the minister should be made by the employer during the period of employment.

With adequate salaries and adequate pension contributions during a minister's employment,

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there should be a minimum need for supplementation in retirement.

The Church at large has no control over payments made by local churches to the Pension Boards over the period of a minister's employment. It is not feasible for the church at large to guarantee every minister a specified pension.

Recommendation:

A. There should be a continuing program urging local churches:

1. to pay adequate salaries to their ministers,
2. to see that their ministers become members of the Pension Boards as early as possible,
3. to make adequate payments to the Pension Boards for their ministers to assure adequate pensions financed by such payments,
4. in determining the adequacy of payments to the Pension Boards, to pay no less than the percentage of salary basis recommended by the Pension Boards; and where a parsonage is provided to include in the minister's salary basis the minister's cash salary plus at least 30% thereof on account of the parsonage.

II.

The Pension Boards receive moneys for payments to ministers and their dependents from the following sources:

- (a) Periodic payments by active members or their churches for credit to the members' accounts to provide pensions for the members under the rules of the governing bodies of the Pension Boards.
- (b) Payments of income of the Pilgrim Memorial Fund to The Annuity Fund for Congregational Ministers for administration expenses and small additions to the accounts of ministers who were members of the Annuity Fund before July 1, 1964.
- (c) Funds from Our Christian World Mission provided pursuant to the vote of the General Synod to supplement annuities, and pay administrative expenses of the Board of Pensions and Relief of the Evangelical and Reformed Church.
- (d) Income on endowment of the Board of Ministerial Assistance and gifts to the Board, which are used as grants to ministers and their beneficiaries with insufficient funds to meet their essential needs.
- (e) The Christmas Fund which is used to supplement relief grants and for emergency relief.

Moneys received under (a) and (b) are dedicated to specific purposes and are not available for pension supplementation. Although some moneys received under (d) and (e) have been used for supplementation purposes the amount available is quite limited. OCWM funds, therefore, are indispensable in the design of a supplementation program.

From the beginning of ministerial relief programs it has been the practice to tailor the grants to the needs of a particular situation. This practice has provided part of the

motivation for individuals who have given endowments and legacies. It would not be appropriate for all ministerial assistance funds to be used on any formula basis for supplementation. Ministerial assistance funds should be available to make adequate provision for special situations. Thus ministerial assistance funds cannot be relied upon as the major source of moneys to supplement small annuities.

The Commission considered the possibility of a special fund raising drive to raise sufficiently large resources to provide supplemental payments in the future. Any such fund would have to be very large if it is to earn adequate income over the years to provide the desired supplementation. The raising of such a large special fund would require not only great effort and organization but it would probably cause a reduction in overall contributions for other church purposes.

In the opinion of the Commission it would not be desirable to undertake such a campaign. Over the foreseeable future OCWM must continue to be the most important source of funds for supplementation.

Recommendation:

B. The most fruitful source of additional funds for the supplementation program would be a substantial increase in contributions to the Christmas Fund.

There should be greater promotional effort with respect to the Christmas Fund and an expansion of overall contribution to the Christmas Fund.

III.

At the time supplementation was initially undertaken by the Congregational Church and the E & R Church, ministers were not covered by social security. But now they are, and for many recently retired ministers social security benefits are substantial. Social security benefits should be taken into account in determining the extent of supplementation by the church at large.

A few ministers during their careers have preferred to make some financial provision for their years of retirement by participating in a non-church related pension fund for some savings or investment plan. Income in retirement from such sources should be taken into account in considering a minister's need.

Since mission funds—limited as they are—are used where the need seems greatest, it does not seem appropriate to the Commission for the church to supplement the pensions of ministers who under reasonable standards don't need the additional money. For example, under the present system there are people with over \$12,000 annual income who receive supplements, and there are others whose total income is below \$3,000 who receive no supplementation payment.

The Commission is of the view that in the future supplementation should be related to need and the rules for determining those persons who receive supplementation should be changed. Some persons who do not now receive supplementation would receive it, and some persons who now receive it would not need it. Some program for grad-

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ually reducing and phasing out supplementation for the latter group would appear to be in order. The total amount of supplementation out of OCWM funds should have some reasonable relationship to the amount which has been paid in recent years; if the supplementation program were to call for a vast increase in the total amount, serious and perhaps insurmountable budgetary problems would result.

In considering need, all income of the minister and spouse should be taken into account. Need should be deemed to exist if the gross income of the minister and spouse, exclusive of ministerial assistance, is less than a specified minimum gross income.

A minister annuitant with full service would receive supplementation in an amount equal to the difference between such gross income exclusive of ministerial assistance and the specified minimum gross income.

The specified amount of minimum gross income would be determined from time to time in the light of economic conditions and the amount of money available for supplementation. For example, the minimum gross income might be determined to be \$5,000 per annum or \$6,000 per annum or some other figure.

Recommendations:

C. There should be a change in the method of determining supplementation payments so that such payments shall be based not only on length of service but also on need.

D. Length of service should be determined on the basis of dues paying membership in the Pension Boards; the service requirement should be met completely by 30 years of such dues paying service.

E. Members of the E and of the R Fund who are now receiving pensions based in whole or in part upon years of service before 1942 should receive credit for those years whether or not those years can be established as dues paying years, but years of service after 1941 should be credited only if the minister is a dues paying member of the MRAF or the Annuity Fund during those years.

F. The need for supplementation would be determined by the relationship of the gross income of a minister annuitant and spouse from regular annuity and all other sources excluding ministerial assistance, to a specified minimum gross income. There would be no supplementation if net worth exceeds a specified maximum amount, exclusive of a personal residence.

G. The specified amount of minimum gross income and maximum net worth would be determined by the General Synod for each biennium in the light of economic conditions and the amount of money available for supplementation.

H. The determination of gross income and net worth by the General Synod would be made in the light of a recommendation of the Pension Boards, and with full realization that if the minimum gross income or maximum net worth is set too high there will not be sufficient funds to make the payments to all eligible pensioners.

I. The specified amount of minimum gross income for the first biennium following the meeting of the Eleventh General Synod should be \$5400 per annum. The specific

amount of maximum net worth for the first biennium following the meeting of the 11th General Synod should be \$50,000, exclusive of a personal residence.

J. The amount of minimum gross income of the spouse of a deceased minister shall be 60% of the amount of minimum gross income specified by the General Synod.

K. An annuitant who is entitled to supplementation under the present program would not have his/her supplementation reduced by more than one-half during the first year of operations of the new program regardless of gross income in that year.

L. Determination of gross income would be based on an estimate of gross income for the current year made at the beginning of the year. For pensioners not receiving Social Security benefits, and who would be eligible to receive those benefits had they elected to participate in the Social Security program on or after January 1, 1968, the minimum amount of Social Security benefit each individual would have received, had he or she participated in Social Security shall be added to the pensioner's actual income in arriving at the total income. If gross income (excluding any automatic increase in Social Security benefits geared to an increase in the consumers' price index) turns out to be more than 10% higher than estimated, the recipient shall notify the Pension Board. This Board shall calculate a readjustment of supplementation. Failure of the recipient to notify the Pension Board may jeopardize further supplementation.

Supplementation would work this way: If an annuitant minister with 30 years of dues paying service and spouse have a gross annual income from regular annuity and all other sources, excluding ministerial assistance, of \$4,000, and the minimum gross annual income were fixed at \$5,400, the supplement would be \$1,400; if the minister annuitant had died having completed 30 years of dues paying service, and leaving a surviving spouse, the minimum gross annual income would be \$3,240 (60% of \$5,400); if the spouse's gross annual income excluding ministerial assistance were \$2,500, the supplement would be \$740. If the minister had completed only 15 years of dues paying service, the supplement to the spouse would be \$370.

IV.

The recommendations in Section III are made on the basis that "the measure of the church's responsibility should rest on the minister's need;" the same principle applies to the recommendations in this section. One of the surveys conducted by Dr. Bonn, involving telephone interviews of active ministers, identified by Conference Ministers, who were non-participants in the U.C.C. pension systems, revealed that 66% of the estimated 705 ministers thought to be in this category were either in a U.C.C. plan, in another denominational or secular plan, or had made other pension arrangements on their own. Included in this group are "tent-makers," those receiving U.S. Army or other Federal Government or State pensions, or those receiving sufficient other income.

Of the remaining 34%, 12% indicated that "the church is too small," "I need the cash," or "I can't afford it." Twenty-one percent indicated other personal situations,

such as being foreign citizens and planning to return; being "conscientious objectors," or being unemployed. Fifty-six percent of the total expressed possible interest in the U.C.C. plan. It must be remembered that these results are only estimates, and that they only apply to ministers who have full standing in the United Church of Christ. Even so, it appears that the number of U.C.C. pastors in full standing who will not qualify to receive pensions is small; probably not over 200. However, Conference help will be needed to identify those who have served our churches and who are in need of help.

Recommendations:

M. Clergy not in full standing in the United Church of Christ should be encouraged to join the Retirement Fund for Lay Workers.

N. Those ministers who have never been members of a UCC ministerial fund or who have been members in a UCC ministerial fund for less than 30 years and who are in need should be identified by the Conference minister. The Conference minister should inform the Pension Boards of the number of years of service as pastor calculated on the basis of these recommendations and certify the number of years that there were good and sufficient reasons for non-participation in a UCC ministerial fund.

The Pension Boards shall administer the Pastoral Aid Fund; in no event shall the payment be greater than the payment one would have received if the calculation were based upon 75% of the minimum income of the person in a UCC ministerial plan.

O. The spouses of ministers identified in recommendation N shall have eligibility using the 60% formula in recommendation J.

P. A Pastoral Aid Fund, to be administered by the Pension Boards, shall be provided from the OCWM Basic Support funds annually by the Executive Council. In the event that the funds available in the Pastoral Aid Fund are not sufficient to make the full payments as determined by recommendation N and O, payments shall be made on a pro-rata basis.

Q. The funds designated to the Pastoral Aid Fund each year for the next biennium following the Eleventh General Synod should be \$50,000.

4. THE RIGHT TO EARN A LIVING

The Chairperson moved a Resolution on "The Right to Earn a Living", it was seconded. She called on Don Benedict who spoke concerning the Resolution.

Tom Redmon, (K-O), moved to amend the motion. It was

77-GS-66a VOTED: The Eleventh General Synod adopts the following amendments to "The Right to Earn a Living":

line 12, following the word "women", insert the words, "rural and urban."

line 40, following the word "city", insert "country-side."

line 49, following the word "unemployed," insert the word "agriculture."

The Moderator recognized Helen Barnhill, Chairperson of the Executive Council, for an amendment. It was

77-GS-66b VOTED: The Eleventh General Synod amends the motion in line 52 by striking the words "top priority" and substitute the words "high concern."

After considerable discussion on the budget implications, the Moderator called for action on the Resolution. It was

77-GS-66 VOTED: The Eleventh General Synod adopts the resolution on "The Right to Earn a Living," as amended.

THE RIGHT TO EARN A LIVING

WHEREAS, Our nation is experiencing chronic unemployment which falls most heavily on minorities, youth, older people and women;

WHEREAS, The Mounting costs of continuous unemployment (in terms of work hours irretrievably lost and reduced tax revenues, and in terms of unemployment compensation and other social welfare programs, and increased crime) are becoming intolerable;

WHEREAS, The personal anxiety and rejection experienced by the unemployed, together with their economic loss, often cause broken marriages, separated families and abandoned neighborhoods;

WHEREAS, The fear of unemployment produces social envy and hostility between the employed and the unemployed, the well-to-do and the recipients of public assistance, white workers and black workers, old and young, men and women; rural and urban.

WHEREAS, Complex patterns of contemporary unemployment reflect dynamic social changes that include a mobile population; the unprecedented influx of women and surging numbers of young people into the workforce, and thus require innovative approaches for effective solutions;

WHEREAS, Prolonged unemployment destroys the independence needed for political participation, obviates the gains achieved in the long struggles for civil rights, the results in the emergence of a permanent underclass in the society;

WHEREAS, The threat of inflation, increased costs and scarcity of fuels and limits to growth in production caution against simplistic solutions to unemployment;

WHEREAS, The scriptures tell us that God created man and woman in God's image, that is, to be able to respond to God in the very activities of their life together and of their work;

WHEREAS, Human dignity rests upon God's purpose for every human life, which means that all persons without regard to rank or accomplishment have a right of access to the land, tools, and resources necessary to achieve sufficient remuneration to provide for themselves and their dependents;

WHEREAS, Our nation's affirmation of the creator-endowed inalienable rights of life, liberty, and the pursuit of happiness are virtually denied to persons excluded from gainful employment, and equality of opportunity becomes meaningless where jobs are not available, therefore be it