

**EVANGELICAL LUTHERAN CHURCH  
IN AMERICA**

**Church Council**

**MINUTES**

**August 4, 2010**

**Prepared by the  
Office of the Secretary**

**EVANGELICAL LUTHERAN CHURCH IN AMERICA  
CHURCH COUNCIL**

**MINUTES  
August 4, 2010  
Lutheran Center  
Chicago, Illinois**

The sixty-fifth meeting of the Church Council of the Evangelical Lutheran Church in America (ELCA) was convened on Wednesday, August 4, 2010, by conference call in the Council Room of the Lutheran Center at Chicago, Illinois. The Executive Committee of the Church Council had met by conference call 10:00–10:30 A.M. prior to the Church Council meeting. Mr. Carlos E. Peña, vice president of the ELCA and chair of the Church Council, called the meeting to order at 10:31 A.M. At the request of the chair, the Rev. Mark S. Hanson, presiding bishop of the ELCA, read from the Gospel of Luke and opened the meeting with prayer.

Vice President Peña announced that the first plenary session was conducted in executive session. The second plenary session was scheduled to begin at 11:30 A.M. and would be conducted in open session. He gave instructions for conducting the meeting by conference call in executive and open sessions.

**ORGANIZATION OF MEETING**  
(Agenda I.A.–I.D.)

The following persons were present for all or part of the executive session:

***Voting Members***

**Officers:**

Pr. Mark S. Hanson, presiding bishop  
Mr. Carlos E. Peña, vice president  
Mr. David D. Swartling, secretary  
Ms. Christina Jackson-Skelton, treasurer

**Church Council:**

Pr. David P. Anderson	Pr. Heather S. Lubold
Ms. Judith E. Barlow-Roberts	Ms. Susan W. McArver
Mr. Baron Blanchard	Pr. Raymond A. Miller
Ms. Rebecca Jo Brakke	Mr. John S. Munday
Ms. Rebecca D. Carlson	Mr. Mark W. Myers
Ms. Deborah L. Chenoweth	Ms. Ann F. Niedringhaus
Pr. Rachel L. Connelly	Pr. J. Pablo Obregon
Mr. John R. Emery	Mr. Ivan A. Perez ( <i>excused</i> )
Pr. Amsalu T. Geleta	Ms. Lynette M. Reitz
Ms. Karin Lynn Graddy	Ms. Sandra Schlesinger
Mr. Mark S. Helmke	Pr. Michael J. Schmidt
Ms. Louise A. Hemstead	Mr. Blaire P. Smith
Mr. William B. Horne II	Pr. Jeffrey “Jeff” B. Sorenson
Pr. Keith A. Hunsinger	Pr. Kathryn A. Tiede
Mr. Mark E. Johnson	Mr. David Truland ( <i>excused</i> )
Pr. Susan Langhauser	Pr. Philip R. Wold
Pr. Steven P. Loy	

***Representatives of the Conference of Bishops***

Bp. Allan C. Bjornberg	Bp. Ralph E. Jones
Bp. Michael L. Burk	Bp. Gerald L. Mansholt
Bp. Murray D. Finck	Bp. Margaret G. Payne
Bp. Callon W. Holloway Jr.	Bp. Harold L. Usgaard

Bp. Martin D. Wells

Bp. Herman R. Yoos III

**Resource Persons**

**Office of the Presiding Bishop:**

Pr. M. Wyvetta Bullock, executive for administration  
Pr. Walter S. May, executive for synodical and constituent relations  
Ms. Myrna J. Sheie, executive for governance and institutional relations

**Office of the Secretary:**

Pr. Ruth E. Hamilton, executive for Office of the Secretary administration  
Mr. Phillip H. Harris, general counsel  
Mr. Frank F. Imhoff, director for official documentation  
Mr. David A. Ullrich, associate general counsel

The following persons were also present for all or part of the open session:

**Advisory Members**

**Youth:**

Ms. Arielle Mastellar (*excused*)

Mr. Kyle Teague (*excused*)

**Advisors:**

Pr. Jaime Dubon, president, Latino Lutheran Association  
Ms. Elizabeth Gaskins, president, American Indian and Alaska Native Lutheran Association  
Pr. David J. Keller, Lutheran Services in America  
Ms. Kristen Kvam, chair, Justice for Women consulting committee  
Ms. Katherine Long, president, European American Lutheran Association  
Pr. O. Dennis Mims, president, African American Lutheran Association (*excused*)  
Mr. Fuad Nijim, president, Association of Lutherans of Arab and Middle Eastern Heritage (*excused*)  
Pr. Paul D. Ostrem, chair, Church in Society program committee  
Pr. Mark R. Ramseth, ELCA seminaries (*excused*)  
Pr. Arthur C. "Chris" Repp, chair, Global Mission program committee  
Mr. Alfred Sagar, chair, Multicultural Ministries program committee (*excused*)  
Mr. Norm Smith, president, Lutheran Men in Mission  
Mr. Kai S. Swanson, chair, Vocation and Education program committee  
Ms. Janet Thompson, chair, Augsburg Fortress Board of Trustees (*excused*)  
Ms. Deborah Wilson, chair, Evangelical Outreach and Congregational Mission program committee (*excused*)  
Ms. Beth Wrenn, president, Women of the ELCA  
Pr. Edmond Yee, president, Association of Asian and Pacific Islanders—ELCA

**Resource Persons**

**Office of the Treasurer:**

Mr. Steve Caputo, support specialist, information technology

**Press:**

Mr. John R. Brooks, director, ELCA News Service  
Ms. Elizabeth M. Hunter, *The Lutheran* magazine  
Mr. Daniel J. Lehmann, editor, *The Lutheran* magazine

**Guest:**

Pr. Kim L. Beckmann, legislative team, Goodsoil

**Wednesday, August 4, 2010  
Plenary Session I**

The first plenary session of the August 4, 2010, meeting of the Church Council was in executive session.

**ADOPTION OF AGENDA**

(Agenda II.)

*Background:*

Agenda items were distributed electronically and by mail in advance of the meeting.

*Church Council Action:*

Vice President Peña introduced the agenda and opened the floor for discussion. Approval of the agenda was moved and seconded. A discussion ensued about the types of information that would be shared in the executive and open sessions of the meeting and about the distribution of confidential exhibits. There being no further discussion, the chair called for the vote. Following the vote, he declared the agenda approved.

**VOTED:**

**CC10.08.31**

**To adopt the agenda and to permit the chair to call for consideration of agenda items in the order the chair deems most appropriate.**

**CURRENT FUND SPENDING AUTHORIZATION**

(Agenda IV.1.)

Ms. Christina Jackson-Skelton, treasurer of the ELCA, presented information about 2010 current fund operating income and spending authorization.

**UPDATE ON 2011 ORGANIZATIONAL DESIGN PROCESS**

(Agenda V.1.)

The Rev. M. Wyvetta Bullock, executive for administration, reported on the 2011 organizational design process relating to the restructuring of the churchwide organization.

**LEGAL UPDATE**

(Agenda V.2.)

Mr. Phillip H. Harris, general counsel, provided an update on pending litigation.

**RECESS**

The first plenary session of the August 2010 meeting of the Church Council (executive session) recessed at 11:35 A.M.

**Wednesday, August 4, 2010  
Plenary Session II**

Vice President Carlos E. Peña called the second plenary session to order at 11:37 A.M., informing those present that the meeting was being recorded for purposes of the minutes and that participation in the meeting constituted agreement to the recording. He gave instructions for conducting the meeting by conference call, called the roll, and presented a summary of the first plenary session.

**UPDATE FROM THE PRESIDING BISHOP**  
(Agenda III.A.)

Vice President Carlos E. Peña requested an update from Presiding Bishop Mark S. Hanson, who said:

“We will spend a lot of this meeting looking internally at our life as the ELCA. I want to report on our external relationships. They have been a major part of our preoccupation and priority in recent months. We have been working with our global companions, particularly in light of our actions of 2009, as they seek to discern what those decisions mean for our relationships.

“I am very thankful for the LWF Assembly just completed and the spirit of unity that was deepened within The Lutheran World Federation and the new leadership that has been elected, including Bishop Munib Younan as president and Martin Junge as general secretary and a number of those key African partner-church leaders elected to the council.

“Without at all diminishing the tension that has existed around our decisions, I am increasingly confident that, because we have been honest with each other and open with each other, we find our unity deeper than our differences, and I feel very confident that the LWF in many respects has experienced a renewal in this assembly going forward.

“Other partners have taken decisions this summer that have potential implications yet to unfold. David Swartling will speak about The Lutheran Church–Missouri Synod, but the shift in leadership leaves us at a point of now needing to hear from that new leadership the level of commitment to our shared work together.

“Yet to occur is the constituting convention of the North American Lutheran Church. That is the one variable that we know not yet what its implications will be for our life together in the ELCA.

“I ended my report to you in April with these words: ‘I serve with confident hope that the ELCA will gather in Orlando for the 2011 Churchwide Assembly with clarity regarding our identity, with renewed energy for mission, and abounding evidence that the Holy Spirit is lavishly being poured out upon this church.’ That is still my confident hope. It is my commitment.

“In the midst of all the difficult conversations we are experiencing, beneath them is that renewed sense of clarity about who we are, a deeper commitment to mission, and evidence of the Holy Spirit at work. That’s the spirit in which I take up the decisions we will make today and in the coming weeks.”

Vice President Peña asked whether there were any questions for the presiding bishop. There being no questions, the chair called on the treasurer for an update.

**UPDATE FROM THE TREASURER**  
(Agenda III.B.)

Ms. Christina Jackson-Skelton, treasurer of the ELCA, suggested that she give her report during discussion of the current fund spending authorization.

Vice President Carlos E. Peña agreed and noted that the council of The Lutheran World Federation (LWF) had elected Treasurer Jackson-Skelton to serve as LWF treasurer and as vice president of the LWF North American region at its meeting July 28–29, 2010, in Stuttgart, Germany. The Church Council responded with applause.

### **UPDATE FROM THE SECRETARY**

(Agenda III.C.)

Vice President Carlos E. Peña asked Mr. David D. Swartling, secretary of the ELCA, for a report.

Secretary Swartling told the Church Council that the Executive Committee had taken action earlier to designate the offering taken at the November 2010 meeting of the Church Council for Vision for Mission and World Hunger and to refer three synodical resolutions to the Vocation and Education program unit. No actions were taken in the executive session during the first plenary session of this Church Council meeting.

The secretary provided an update on congregations voting to terminate their relationships with the ELCA. As of August 3, 2010, there were 504 congregations that had taken a first vote—348 voted to leave the ELCA and 156 votes failed. Of those congregations that had taken an initial vote, 212 had taken a second vote—199 passed and 13 failed. Anecdotal reports indicated that more than 75 percent of the congregation leaving the ELCA plan to join Lutheran Congregations for Mission in Christ.

Secretary Swartling had attended the 2010 Convention of The Lutheran Church–Missouri Synod (LCMS). He reported to the council that the LCMS had elected on the first ballot a new president, the Rev. Matthew C. Harrison, and several new vice presidents. The delegates rejected a proposal to move from a three-year cycle to a four-year cycle for conventions. They approved a restructuring proposal to organize the LCMS around national and international ministries.

The secretary said an LCMS resolution on that church's relationship with the ELCA called for a study and report. The resolution was amended to require the report by July 13, 2011, and was adopted as amended.

Secretary Swartling commented on reports from the 2010 Synod Assemblies.

A working group of the Living into the Future Together (LIFT): Renewing the Ecology of the ELCA Task Force was dealing with governance issues, he stated. It is considering recommendations on a three-year cycle for the Churchwide Assembly, the composition of the Church Council, and the role of the Conference of Bishops. It is likely that the governance portion of the task force report will be presented to the Church Council in November.

The secretary reported on preparations underway for the 2011 Churchwide Assembly and on work to integrate past minutes and exhibits electronically.

### **UPDATE FROM THE VICE PRESIDENT**

(Agenda III.D.)

Vice President Carlos E. Peña announced that the Rev. Kathryn A. Tiede had agreed to represent the Church Council at meetings of the Executive Council of The Episcopal Church. The chair also thanked the officers and staff of the churchwide organization for their leadership. He called the council's attention to items for action on the agenda.

### **CURRENT FUND SPENDING AUTHORIZATION**

(Agenda IV.1.; Agenda/MINUTES Exhibit B, Parts 1a–1b)

*Background:*

In April 2010, the Church Council approved the 2010 current fund operating income estimates at \$69.3 million. The Church Council was being asked to adopt a lower spending authorization at \$65.1 million—a reduction of \$4.2 million or 6.1 percent. The primary reason for the reduction request was a steep decline in mission-support income. A reduction of \$4.1 million or 7.4 percent in mission-support income was anticipated with reductions of \$50,000 each in missionary sponsorship and unit designated gifts.

At the end of May, mission-support income was unfavorable to budget by \$1.1 million or 5.6 percent. Sixty of the 65 synods had remitted less mission support than during the same period in 2009—a reduction of \$2.9 million or 13.2 percent. Mission-support income had been in decline since December 2008, after five years of relative stability. A new estimate for mission-support income by fiscal year-end was \$51 million. Decreases in mission-support income had been attributed to economic instability compounded by some unfavorable responses to the 2009 Churchwide Assembly decisions on human sexuality.

As part of its ongoing financial contingency planning, the churchwide organization identified options for spending below the approved level. Income performance during the first four months of 2010 warranted moving all of the underspending and the first level of contingency plans into a reduced spending authorization of \$4.2 million or 6.1 percent.

*Church Council Action:*

**Moved;**

**Seconded:** To approve a revised current fund spending authorization for fiscal year 2010 of \$65,100,000.

Vice President Carlos E. Peña opened the floor for discussion and called on the treasurer for her report.

Treasurer Christina Jackson-Skelton gave the council an income update for the period ending June 30, 2010. She said a seasonal operating deficit was projected to be \$2.3 million but only reached \$1.8 million. Operating revenue declined \$5.2 million from the same period in 2009, and operating expenses were reduced \$5.7 million from the previous year.

Mission support had decreased \$3.7 million or 15.2 percent from the same period in 2009—about \$1.1 million or 5 percent less than what was budgeted, the treasurer stated. The variance from budget was the reason for the motion to reduce the spending authorization.

The Rev. M. Wyvetta Bullock outlined the process used to arrive at the proposed spending authorization level.

Presiding Bishop Mark S. Hanson added that the churchwide organization was mindful that this church's partners in mission were dealing with the same economy as the ELCA. He announced an upcoming consultation on mission capacity and funding.

There being no further comments or questions, the chair called for the vote. Following the vote, he declared the motion adopted.

**VOTED:**

**CC10.08.32** To approve a revised current fund spending authorization for fiscal year 2010 of \$65,100,000.

**APPROVAL OF RESPONSES TO SYNODICAL RESOLUTIONS**

(Agenda IV.; Agenda/MINUTES Exhibit A)

*Background:*

Members had an opportunity to notify the chair before the meeting to remove any resolution from the *en bloc* resolution. None were removed.

*Church Council Action:*

Vice President Carlos E. Peña called on Secretary David D. Swartling to move the *en bloc* resolution.

The motion was seconded. The chair called for the vote. Following the vote, he declared the motion approved.

**VOTED:**

**CC10.08.33** To take action *en bloc* on the referrals of the following synodical resolutions:

**1a. Resolution Concerning ELCA Board of Pensions Decisions Pertaining to a Shortfall in Board of Pension Annuity Commitments**

**Minneapolis Area Synod (3G)**

WHEREAS, the theology of the Evangelical Lutheran Church in America (ELCA) includes the understanding that we are all one in the Body of Christ (1 Corinthians 12:14–26); and

WHEREAS, the ELCA “Economic Life: Sufficient, Sustainable Livelihood for All”, adopted by the sixth Churchwide Assembly on August 20, 1999, in Denver, Colorado, states in part, “We commit ourselves as a church to . . . provide adequate pension and health benefits . . .”; and

WHEREAS, the Board of Pensions of the ELCA (the Board) has a fiduciary responsibility to manage the pension funds so that they will adequately fund the annuity obligations owed to pensioners; and

WHEREAS, the Board’s plan to correct an underfunding of pension obligations to former employees puts much of the burden on the pensioners (with some experiencing greater hardship because of the cuts) and does not share the burden with the entire Body of Christ; therefore be it

RESOLVED, that the Minneapolis Area Synod meeting in assembly urge the ELCA Church Council to request that the Board reevaluate both the bases of loss in the Board’s formula that measures the gap to an average high over the past 10 years and thereby re-determine the gap that the Board needs to cut annuities; and be it further

RESOLVED, that the Minneapolis Area Synod meeting in assembly urge the ELCA Church Council to request that the Board reconsider those who have experienced this cut as a major hardship; and be it further

RESOLVED, that the Minneapolis Area Synod meeting in assembly urge the ELCA Church Council to request that the executive staff of the Board look for additional ways to re-fund the under-funding in the Annuity Fund; and be it further

RESOLVED, that the Church Council urge the Board of Pensions to separate the Annuity and Bridge Fund into two separate funds and manage the Annuity Fund in a more conservative and less risky way, so that in the future it will not experience the loss experienced in this last recession.

**1b. Board of Pensions and ELCA Participating Annuity and Bridge Fund**

**Texas-Louisiana Gulf Coast Synod (4F)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund (“the Fund”) experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED, that the Texas-Louisiana Gulf Coast Synod Assembly requests the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the Texas-Louisiana Gulf Coast Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.



**1c. Board of Pensions Participating Annuity and Bridge Fund  
Southwestern Minnesota Synod (3F)**

RESOLVED, that Southwestern Minnesota Synod at its 2010 Assembly request the Church Council to explore and implement, in partnership with the ELCA Board of Pensions, strategies to restore the reduction and cancel any future reductions to the recipients of the ELCA Board of Pensions Participating Annuity and Bridge Fund; and be it further

RESOLVED, that the Southwestern Minnesota Synod Assembly requests the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the Southwestern Minnesota Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

**1d. Underfunding of ELCA Board of Pensions  
South Dakota Synod (3C)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund ("the Fund") experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED, that the South Dakota Synod Assembly request that the Church Council of the Evangelical Lutheran Church in America consult with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the South Dakota Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

**1e. Board of Pensions and ELCA Participating Annuity and Bridge Fund  
Upstate New York Synod Council (7D)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund ("the Fund") experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED, that the Upstate New York Synod Council requests the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons, for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund.

#### **1f. Board of Pensions and ELCA Participating Annuity and Bridge Fund**

##### **La Crosse Area Synod (5L)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund (“the Fund”) experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED that the La Crosse Area Synod Assembly requests the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the La Crosse Area Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

#### **1g. ELCA Board of Pensions Participating Annuity and Bridge Fund**

##### **Greater Milwaukee Synod (5J)**

WHEREAS, the theology of the Evangelical Lutheran Church in America (ELCA) is that it is one church in the body of Christ (1 Corinthians 12:14–26); and

WHEREAS, the Lutheran church bodies which are the predecessor church bodies of the ELCA have a 250-year history of being concerned that its retired clergy and rostered lay workers have adequate pensions; and

WHEREAS, the ELCA social statement on economic life, Sufficient, Sustainable Livelihood for All, adopted by the sixth Churchwide Assembly on August 20, 1999, in Denver, Colorado, states in part, “We commit ourselves as a church to . . . provide adequate pension and health benefits;” and

WHEREAS, the ELCA Board of Pensions has a fiduciary responsibility to manage the pension funds; and

WHEREAS, the plan of the ELCA Board of Pensions to correct the underfunding puts the burden of that correction on the faithful pensioners that participated in the Participating Annuity and Bridge Fund; therefore, be it

RESOLVED, that the Greater Milwaukee Synod at its 2010 Assembly request the Church Council to explore and implement, in partnership with the Board of Pensions, strategies to restore the reduction and cancel any future reductions to the recipients of the ELCA Board of Pensions Participating Annuity and Bridge Fund; and be it further

RESOLVED, that the Greater Milwaukee Synod Assembly requests the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of

the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that the Greater Milwaukee Synod Assembly requests the Church Council of the Evangelical Lutheran Church in America to explore steps with the Board of Pensions to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansions and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the Greater Milwaukee Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

#### **1h. Board of Pensions and ELCA Participating Annuity and Bridge Fund**

##### **New Jersey Synod (7A)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund ("the Fund") experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED, that the New Jersey Synod Assembly ask the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the New Jersey Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action; and be it further

RESOLVED, that the New Jersey Synod take leadership in supporting the Special Needs Retirement Fund of the Board of Pensions to assist those who are in or on the edge of poverty.

#### **1i. Board of Pensions and ELCA Participating Annuity and Bridge Fund**

##### **Northern Illinois Synod (5B)**

WHEREAS, the ELCA Participating Annuity and Bridge Fund ("the Fund") experienced significant losses as a result of the recession that began in 2008; and

WHEREAS, the board of trustees of the ELCA Board of Pensions, in consultation with Board of Pensions senior staff and advisors, acted in a number of ways to address losses in the Fund, including: closing the Fund to new contributions; reducing payments to annuitants in the Fund by 9% for 2010; advising annuitants of potential decreases in annuity payments in 2011 and 2012; reducing in 2010 by 3.5% the value of not yet annuitized accounts of participants in the bridge component of the Fund; and advising these participants of potential decreases in account values in 2011 and 2012; and

WHEREAS, the 2010 reductions and possible future reductions have the potential of working severe hardships on many with fixed financial responsibilities; and

WHEREAS, the ELCA Special Needs Retirement Fund was created to provide assistance for eligible plan participants, spouses, and surviving spouses, who have financial need; therefore, be it

RESOLVED, that the Northern Illinois Synod Assembly request the Church Council of the Evangelical Lutheran Church in America to consult with the Board of Pensions regarding the background of, reasons for, and implications of

the decisions made with respect to the ELCA Participating Annuity and Bridge Fund, to explore possible alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized, and to report on the results of the consultation at the November 2010 meeting of the Church Council, and to those members who experienced a reduction in their pensions; and be it further

RESOLVED, that steps be explored to mitigate the adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund; and be it further

RESOLVED, that the Northern Illinois Synod Assembly direct the Synod Council to forward this resolution to the Church Council for consideration and possible action.

**VOTED:**

*EN BLOC*

**CC10.08.33a**

**To receive the resolutions of the Minneapolis Area, Texas-Louisiana Gulf Coast, Southwestern Minnesota, South Dakota, Upstate New York, La Crosse Area, Greater Milwaukee, New Jersey, and Northern Illinois synods related to the ELCA Board of Pensions annuity funding;**

**To establish an *Ad Hoc* Committee, including the following members:**

- 1. Church Council: David Anderson, Mark Helmke, Ann Niedringhaus, Carlos Peña (convener)**
- 2. Liaison Bishops: Callon Holloway, Jr., Martin Wells**
- 3. Advisory member: Lois O'Rourke, chair, Board of Pensions Board of Trustees**
- 4. *Ex-Officio*: Christina Jackson-Skelton, ELCA treasurer, and David Swartling, ELCA secretary**
- 5. Board of Pensions staff liaison: Robert Berg**
- 6. Churchwide staff liaison: Ruth Hamilton, Office of the Secretary;**

**To request that the *Ad Hoc* Committee respond to synodical resolutions related to the ELCA Participating Annuity and Bridge Fund, including but not limited to:**

- 1. Consultation with the Board of Pensions regarding the background of, reasons for, and implications of the decisions made with respect to the ELCA Participating Annuity and Bridge Fund; and**
- 2. Exploration of possible:**
  - a. alternative ways to restore Fund losses and increase payment levels for annuitants and account values for those with bridge component accounts not yet annuitized;**
  - b. steps to mitigate adverse effects of the Fund reductions and possible future reductions, including the expansion and promotion of the ELCA Special Needs Retirement Fund;**

**To request that a report and possible recommendations be brought to the November 2010 meeting of the ELCA Church Council; and**

**To request that the secretary of this church inform the synods of this action.**

**CLOSING PRAYER**

Vice President Carlos E. Peña thanked everyone involved in coordinating and carrying out the conference call meeting of the Church Council, reminding members to complete their evaluations of the meeting. The chair called on the Rev. Kathryn A. Tiede, who led the council in a closing prayer.

**EVANGELICAL LUTHERAN CHURCH IN AMERICA  
CHURCH COUNCIL  
August 4, 2010**

**MINUTES, Page 12**

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**ADJOURNMENT**

(Agenda VII)

The sixty-fifth meeting of the Church Council of the Evangelical Lutheran Church in America adjourned August 4, 2010, at 12:04 P.M.