

General Convention of The Episcopal Church 2022 Archives' Research Report

Resolution No.: 2022-D003
Title: Resolution for The Creation of a Clergy Retirement Contribution Fund
Proposer: The Rev. Canon Dr. Lynn A. Collins
Topic: Church Pension Fund, Clergy Benefits

Directly Related: (Attached)

None

Indirectly Related: (Available in the [Acts of Convention](#) database, searchable by resolution number)

2009-D061	Commend Study of Retirement Benefits for Clergy in Foreign Jurisdictions
2006-D048	Establish Equitable Benefits for Small Church Workers
1997-C020	Endorse the CPF's 30-Year Retirement Option for Clergy
1997-C023	Urge CPF to Study Feasibility of Increasing Retirement Benefits
1997-C027	Urge CPF to Study Pension Needs of Clergy Ordained Later in Life
1985-D126	Direct the CPF to Consider Full Retirement Benefits After 40 Years Service
1979-B117	Study Retirement Options for Those With 30 Years Service
1976-B078	Request CPF to Consider Increasing Retirement Benefits for Clergy
1976-B082	Urge the CPF to Increase Pension Payments to Clergy

In preparing this report, the Archives researched the resolutions in the Acts of Convention database for the period 1973 through 2018, selecting “direct” resolutions that have a substantive bearing on the proposed legislation. The “direct” resolutions are attached and “indirect” resolutions are available in the Acts of Convention database. Committee members who require other research assistance should contact the Archives through the [Research Request Form](#) or call 800-525-9329.

D003 - Resolution for The Creation of a Clergy Retirement Contribution Fund

Final Status: Not Yet Finalized

Proposed by: The Rev. Canon Dr. Lynn A. Collins

Endorsed by: Ms. Linda Watson-Lorde, Mrs. Crystal Plummer

Requests New Interim Body: No

Amends C&C or Rules of Order: No

Has Budget Implications: No

Cost:

HiA: HD

Legislative Committee Currently Assigned: 17 - Agencies & Boards

Completion Status: Incomplete

Latest House Action: N/A

Supporting Documents: No

Resolution Text

Resolved, the House of Bishops concurring,

That the 80th General Convention of The Episcopal Church direct the Domestic and Foreign Missionary Society of the Protestant Episcopal Church (the "Episcopal Church") to conduct a study to determine if it is possible to establish a permanent Retirement Contribution Fund (the "Fund") whereby the applicable pension contributions will be made from such fund to pay the pension contributions of a parish priest's salary who would serve such parish but for the fact that the required pension contributions makes it unaffordable for the hiring of such priest; and be it further

Resolved, that no priest may be eligible to participate in receiving pension contributions from the Fund where his/her parish's gross income exceeds \$250,000; and be it further

Resolved, that the study shall include discussions with dioceses to determine the feasibility of a diocese's ability to contribute a meaningful percentage to the Fund to support a priest's pension contribution; and be it further

Resolved, that The Church Pension Fund also be included in the discussions because of the financial expertise it would bring to the table in the management of pension contributions; and be it further

Resolved, that the Officers of the Episcopal Church and Executive Council shall refer this resolution to the appropriate Interim Body for consideration; and be it further

Resolved, that The Episcopal Church shall report to the 81st General Convention on the progress that it has made during the triennium in its efforts to effectuate the purposes of this resolution.

Explanation

The Church Pension Fund's founding motto, at its creation in 1917, in was to create a pension fund that would enable clergy to retire with dignity. Since its inception, its investment strategy has been excellent, with returns consistently ahead of the benchmarks established by the Board of Trustees for evaluating its investment program. In fact, as of the writing of this resolution, the Church Pension Fund has paid out \$6.8 Billion to clergy and dependents since its inception in 1917. Yet, today the Church Pension Fund has some \$13.5 Billion Dollars under its management. Of this amount, it receives some \$100 Million Dollars annually that are paid in as pension retirement contribution, and it pays out \$400 Million in annual benefits. While it is clear that the Church Pension Fund must maintain sufficient liquidity and assets to pay its pension and other benefit plan obligations, it is also clear the fund operates with excess revenues.

While it may not be possible to direct the Church Pension Fund to establish the Fund because of the laws governing pension contributions, such a discussion is necessary to ensure that all priests retire with dignity. It is therefore necessary to determine the means by which the Fund can be created to fund the pension contributions of a parish priest's salary who would serve such parish but for the fact that the required pension contributions makes it unaffordable to prevent that parish from the hiring of such priest.

Such parishes that are impacted by the unaffordability of a parish priest, as a result of the pension contributions, are predominately African American Inner- City Parishes, thereby rendering them unsustainable as membership declines as a result of the lack of a priest. Such funding of the purposes of this resolution would live into The Episcopal Church's embrace of its commitment to the establishment of The Beloved Community.