

**THE PERMANENT JUDICIAL COMMISSION
OF THE GENERAL ASSEMBLY
OF THE PRESBYTERIAN CHURCH (U.S.A.)**

Synod of the Northeast, Presbytery of)	
Southeastern Illinois, Presbytery of Northern New)	
England, Session of First Presbyterian Church of)	
Hoopeston, Illinois, and Session of Presbyterian)	
Church of Paris, Illinois,)	
Complainants,)	ORDER OF DISMISSAL OF
)	COMPLAINTS
v.)	
)	Remedial Case 217-9
The Board of Pensions of the Presbyterian Church)	
(U.S.A.),)	
Respondent.)	

Arrival Statement

These cases came before the General Assembly Permanent Judicial Commission on complaints against The Board of Pensions of the Presbyterian Church (U.S.A.) (Board) filed by the Synod of the Northeast, Presbytery of Southeastern Illinois, Presbytery of Northern New England, Session of First Presbyterian Church of Hoopeston, Illinois, and Session of Presbyterian Church of Paris, Illinois (hereinafter collectively Complainants). Each of the five remedial complaints challenged the Board’s alleged failure to implement a directive of the 216th General Assembly (2004) (216th GA) concerning the calculation of medical dues coverage for clergy couples installed by a congregation to share one installed position. The Board answered each complaint and requested dismissal, arguing that three of the preliminary questions under D-6.0305 could not be answered in the affirmative. The Board argued specifically that this Commission lacked jurisdiction, that the complaints were not timely filed, and that the complaints failed to state a claim upon which relief can be granted. (D-6.0305a, c, d)

History

The 216th General Assembly (2004) received overtures from the Presbyteries of Southeastern Illinois and Northern New England, with concurrences by the Presbyteries of the Palisades and Western Kentucky, titled “On Directing the Board of Pensions to Revise their Rules For the Calculation of Salary for Churches with a Clergy Couple Installed to One Position.” The 216th General Assembly approved this overture before its adjournment on July 3, 2004.

The Board of Pensions was formed by the Articles of Agreement (Article 11.3) of the Plan of Reunion of the United Presbyterian Church in the United States of America and the Presbyterian Church of the United States in 1983, based on a “joint plan of merger” of the two predecessor bodies. The Board is incorporated in the Commonwealth of Pennsylvania as a “church plan,” “construed and administered in accordance with the laws of the Commonwealth

of Pennsylvania.” The Benefits Plan was adopted by the 198th General Assembly (198th GA) in 1986. A number of resolutions were adopted by that same Assembly, including the specific rules for the new Plan, and a requirement that “participation in the Plan shall be made mandatory for all pastors installed in churches.” *Minutes*, 1986, p.700. The full plan of the Board in Article V requires each minister installed to a position in a congregation to be enrolled for full participation in the Benefits Plan, which is further interpreted by Administrative Rule #106.

The 214th General Assembly (2002) (214th GA) voted to move to biennial rather than annual General Assemblies, and the Board amended its rules and organization in order to be responsive to changing needs without waiting for two years to implement needed decisions. Its Bylaws were amended March 1, 2003, with an effective date of August 1, 2004. On January 1, 2004, a newly “amended and restated” plan document became effective, which said in part that dues for part-time pastors would be based on the full-time equivalent salary (Article II.1(u) of the Plan). Minutes of a meeting of the Board on March 5-6, 2004, stated that the issue of member couples was to be considered among other concerns, continuing to be clear that the “primary concern” is the “financial health of the plan.”

In a letter dated April 20, 2004, the Board asked the Advisory Committee on the Constitution (ACC) to interpret G-14.0506 “with respect to a Clergy Couple Serving a ‘Shared’ Installed Position,” that is, to advise whether these couples are two people sharing one call or two people in two part-time calls. The Board made this request after the 120-day deadline for seeking interpretations of the Constitution prior to the 216th GA (G-18.0301a).

At the 216th General Assembly (216th GA), Overture 14-09 was approved, directing the Board to revise the rules for the calculation of medical dues for clergy couples sharing one position. Although official notification of the action of the 216th GA was not received until early September 2004, the Board, at its July 16-17, 2004, meeting, voted to renew their request to the ACC for interpretation of whether clergy couples could “share” a position. In the meantime, in letters dated August 13, 2004, the Board wrote to the church treasurers of congregations being served by a “clergy couple filling the position previously filled by a single pastor.” These letters advised that there were various plans in place to find a solution to the problem, that the Board was requesting an interpretation of the ACC, that “fundamental principles of the Medical Plan’s coverage rules and funding structure” would be reviewed in October 2004, that an interim plan would be considered for a January 1, 2005, implementation, and that churches should expect to be billed as usual in the meantime.

On October 1, 2004, as in previous months, churches received invoices from the Board, billing them at the higher part-time rate. On October 23, 2004, Synod of the Northeast voted to initiate a remedial complaint against the Board, received by the Stated Clerk of the General Assembly on November 8, 2004. Similar complaints were filed by the Presbytery of Southeastern Illinois, received November 2, 2004; First Presbyterian Church of Hoopeston, Illinois, received November 15, 2004; the Presbytery of Northern New England, received November 15, 2004; and the Presbyterian Church of Paris, Illinois, received December 3, 2004.

Order for Consolidation

On January 31, 2005, this Commission granted the Board's motion to consolidate the complaints for all pretrial and trial proceedings.

Jurisdiction Statement

This Commission found in its Order dated April 4, 2005, that it had jurisdiction, the Complainants had standing to file, the Complaints were timely filed, and that the Complaints stated a claim upon which relief can be granted under D-6.0305.

Order for Trial

On April 4, 2005, the Commission ordered that a trial would be held on August 5, 2005, on the issue of whether a clergy couple can share one position.

Order for Continuance

By its Order dated April 4, 2005, this Commission determined that this Commission has jurisdiction to consider the merits of the case on the sole question of whether a clergy couple can share one position and set the date for trial on August 5, 2005.

The parties engaged in negotiations leading to a settlement of the issues involved, subject to approval of the Board of Directors of Respondent at its meeting on July 16, 2005, and applied to the Commission for a Stay of Briefing Schedule and Trial Proceedings.

On June 28, 2005, the Moderator and Clerk of the Commission ordered a continuance of the briefing schedule and date of trial from August 5, 2005, to an indefinite date pending the outcome of settlement negotiations between the parties.

The Moderator and Clerk further ordered that in the event the Board of Directors of Respondent approved the Stipulation of Settlement on July 16, 2005, the parties were to immediately inform the Commission and provide the Commission with a signed copy of the Settlement Agreement and action of the Board of Directors. In the event that the Board of Directors did not approve the proposed Settlement Agreement at its meeting on July 16, 2005, and the parties were unable to enter into a Stipulation of Settlement that meets the satisfaction of all parties prior to August 31, 2005, the parties were ordered to inform this Commission no later than August 31, 2005.

Absences and Non-participants

The following members of the commission were not present or were recused from participation in this matter: Jesse Butler and Fred Denson.

Order for Dismissal

Following negotiations between the parties to this case, the parties executed a Stipulation of Settlement resolving this matter on dates between June 8, 2005, and June 24, 2005. The Board of Directors of Respondent approved the Stipulation of Settlement on July 16, 2005. Accordingly, the Complaints in this matter stand withdrawn, and the matter is dismissed.

Dated the 7th day of August, 2005.