

# General Conference 2008 Petition Summaries



GENERAL BOARD OF PENSION AND HEALTH BENEFITS  
OF THE UNITED METHODIST CHURCH

Caring For Those Who Serve

# General Conference 2008 Petition Summaries

This is an overview of the legislative petitions that the General Board of Pension and Health Benefits (GBPHB) has submitted to General Conference 2008. Complete petitions are available under **Resources** on our Web site at [www.gbphb.org](http://www.gbphb.org).

## 1. Denominational Health—Annual Conference Retiree Health Care Access

### **Discipline Paragraph: 638**

Annual conferences should provide adequate access to health care coverage for retirees and their spouses. Where there is a commitment to retirement benefits, that commitment should be honored, and its current liabilities should be funded.

GENERAL BOARD OF PENSION AND HEALTH BENEFITS OF THE UNITED METHODIST CHURCH

Today is October 29, 2007

Caring For Those Who Serve

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**Caring For Those Who Serve**

For nearly 100 years, one mandate has been central to all that we do: **stewardship**. The General Board of Pension and Health Benefits is a not-for-profit administrative agency of The United Methodist Church, responsible for the general supervision and administration of the retirement, health and welfare benefit plans, programs and funds for more than 74,000 active and retired clergy and lay employees of the Church. [\(More\)](#)

**2008 HealthFlex Annual Elections**

**Make your 2008 HealthFlex Annual Elections!**  
November 9-30, 2007

**WEB HIGHLIGHTS**

10/12/2007  
[Healthy churches need healthy leaders](#)  
"If you're really serious about serving the Lord, you'd better start taking care of yourself," Bishop Scott Jones told health ministry leaders at the National Congregational Health Ministries Conference: "Empowering Ministries of Health: Starting, Implementing and Advancing" held Sept. 23-26.

9/30/2007  
[Balanced Social Values Plus Fund Improvements](#)  
The General Board staff has conducted a review of the investment management of the Balanced Social Values Plus Fund (BSVFP) and has decided to make a change that is intended to improve the consistency of the fund's performance compared to its benchmark and reduce the fund's expenses.

9/21/2007  
[United Methodist Pension and Health Agency Announces Relocation](#)  
The General Board has announced its intention to relocate to the Village of Glenview, IL.

**ACCOUNT LOGIN**

➔ Retirement OASIS

➔ HealthFlex WebMD

## 2. Denominational Health—Church Systems Task Force

### **Discipline: Recommendation**

The denomination should increase its awareness of the effects Church systems have on the health of clergy and revise the essential employment systems and structures of the Church that negatively affect its clergy's health. To accomplish these goals, GBPHB and GBHEM will convene a new task force to:

- examine itineracy and appointment-making systems,
- recommend improvements to supervisory systems,
- address processes for entering and exiting ordained and licensed ministry, and
- provide guidelines for sustaining a healthy work/life balance during ministry.

## 3. Denominational Health—Episcopal Group Health Care Plans and Retiree Access

### **Discipline Paragraph: 817**

General Council on Finance and Administration (GCFA) will sponsor or participate in a group health care plan that covers bishops. In addition, GCFA will provide access to Medicare supplement and prescription drug plans for retired bishops.

## 4. Denominational Health—Annual Conference Health Care Plans

### **Discipline Paragraph: 638**

Each annual conference will sponsor or participate in a group health care plan that covers its full-time clergy and full-time lay employees in the United States.

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## 5. Denominational Health—General Agency Group Health Care Plans and Retiree Access

### ***Discipline Paragraph: 714***

General agencies will sponsor or participate in a group health care plan that covers active clergy and full-time employees. In addition, general agencies will provide access to Medicare supplement and prescription drug plans for retired clergy and lay employees.

## 6. Denominational Health—General Board of Pension and Health Benefits Support

### ***Discipline Paragraph: 1504***

GBPHB will collect, analyze, and distribute group health care plan data and health and wellness program information and use this data and information to:

- establish denomination-wide benchmarks and standards;
- identify and disseminate best practices for healthy lifestyles and health cost management;
- provide reports;
- share data and analysis;
- advise about health care plan designs, coverage, financial soundness, and wellness programs; and
- recommend health and wellness strategies and guidelines for annual conferences, general agencies, and bishops.

## 7. Denominational Health—Annual Conference Reporting

### ***Discipline Paragraph: 1506***

GBPHB will strive to improve the health of clergy and lay employees and ease the Church's struggle with the costs of health care coverage by sharing information throughout the connection and increasing access to information about best practices and plan designs. To help accomplish these goals:

- each annual conference will submit annual health care plan data to GBPHB;
- annual conferences' boards of pensions will submit financial valuations for projected medical liabilities by year-end (and biannually thereafter);
- each annual conference will submit a plan for addressing unfunded retiree medical liabilities by year-end 2010; and
- each annual conference will submit its portability policy for retiree health care plan eligibility, coverage, cost-sharing, and benefits and communicate the policy to clergy and lay employees by year-end.

## 8. Incapacity Leave in Annual Conferences

### ***Discipline Paragraph: 651***

This petition proposes amending the paragraph to allow annual conferences greater latitude in the method through which they manage incapacity and disability among clergy. The petition deletes inappropriate duties of the conference in this respect and adds duties regarding advocacy and support of disabled clergy.

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## 9. Incapacity Leave

### *Discipline Paragraph: 358*

This petition proposes amending the paragraph to maintain consistency with the petition to amend ¶651 and to clarify the nature of investigation of incapacity leave cases.

## 10. Reporting Conference Relationship Changes

### *Discipline Paragraph: 634*

This petition proposes requiring each annual conference's board of ordained ministry to report clergy changes in conference relationships to the conference's board of pensions.

## 11. Conference Board of Pensions Membership

### *Discipline Paragraph: 638.2a*

These proposed changes are intended to clarify the meaning of the word "indebted" and eliminate confusion regarding the ability of current participants and retirees to serve on the conference board of pensions.

## 12. GBPHB Fiduciary Responsibilities

### *Discipline Paragraph: 1501.3*

This petition proposes deleting language that was intended to address possible changes in the structure of general agencies proposed at General Conference 2004 and is no longer relevant.

## 13. GBPHB Membership

### *Discipline Paragraph: 1502.1*

This petition proposes changes to this paragraph that would align it with ¶705 regarding proportionate allocation of members from the jurisdictions by the secretary of the General Conference.

## 14. GBPHB Committee Members at Large

### *Discipline Paragraph: 1502.4*

This petition aligns the language of this paragraph with bylaws that stipulate that at-large members shall not exceed half of the committee.

## 15. GBPHB Legal Entities

### *Discipline Paragraph: 1503.2*

This petition clarifies that all the operations of GBPHB are conducted by the Illinois Corporation except the trust function and that all activities of GBPHB are performed by an incorporated entity, while eliminating those corporations and corporate names no longer in use.

## 16. GBPHB Authorizations—Old Plans

### *Discipline Paragraph: 1504.3*

The current paragraph lists some, but not all, pre-82 plans administered by GBPHB. This proposed change simplifies the paragraph and makes it more accurate.

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## 17. Pre-82 Survivor Percentages

***Discipline Paragraph: 1506.17b***

This petition proposes deleting this paragraph because it is inconsistent with the provisions of the Clergy Retirement Security Program (CRSP).

## 18. Basis of Pension Contributions

***Discipline Paragraph: 1506.19***

The proposed changes to this paragraph will align it with the provisions of CRSP.

## 19. Contributions and Service under Clergy Retirement Security Program

***Discipline Paragraph: 1506.22***

The proposed changes to this paragraph will align it with the provisions of CRSP.

## 20. Annual Conference Investments

***Discipline Paragraph: 1508.7***

This petition proposes deleting one sentence from this paragraph because it does not conform to current practice.

## 21. Global Episcopal Pension Program

***Discipline Paragraph: 817.8***

This petition proposes amending and restating the Global Episcopal Pension Program, effective May 3, 2008.

## 22. GBPHB Authorizations

***Discipline Paragraph: 1504.2***

This is enabling legislation should the board of directors decide to respond to requests from other church groups.

## 23. GBPHB Authorizations

***Discipline Paragraph: 1504.17***

This petition proposes changing this paragraph because it is duplicative of the responsibilities given GCFA in ¶807.1. The revised paragraph is enabling legislation should the board of directors decide to respond to the requests of other groups.

## 24. GBPHB Authorizations

***Discipline Paragraph: 1504.18***

This petition proposes a minor change to this paragraph that is related to the proposed changes to ¶1504.17.

## 25. Retirement Plan for General Agencies

***Discipline Paragraph: 1504.1***

This petition proposes to amend and restate the Retirement Security Program for General Agencies (RSP), effective as soon as GBPHB systems can reasonably be reconfigured to administer the amended and restated plan.

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## **26. Clergy Retirement Security Program/Technical Corrections**

### ***Discipline Paragraph: 1504.1***

This petition proposes technical corrections and minor plan design changes to CRSP, effective as soon as GBPHB systems can reasonably be reconfigured to administer the revisions, except where another effective date is specified.

## **27. Retirement Security Program for General Agencies Effective June 1, 2008**

### ***Discipline Paragraph: 1504.1***

This petition proposes to transfer surplus funding from RSP to the General Agency Benefit Trust, effective June 1, 2008.

## **28. Retirement Security Program for General Agencies/Technical Corrections**

### ***Discipline Paragraph: 1504.1***

This petition proposes technical revisions and minor plan design changes to RSP, effective as soon as systems can reasonably be reconfigured to administer the revisions, except where another effective date is specified.

## **29. Comprehensive Protection Plan Amendments**

### ***Discipline Paragraph: 1504.1***

This petition proposes technical revisions and plan design changes to the Comprehensive Protection Plan (CPP), effective January 1, 2009, except where another effective date is specified.

## **30. Investment Ethics**

GBPHB is proposing these updated and revised investment guidelines because The United Methodist Church values dictate that social justice and social usefulness must be given consideration together with financial security and financial yield in the investment of funds by individuals, churches, agencies, and institutions throughout the United Methodist connection. When we take into account both fiduciary obligations (including financial returns) and denominational values (including social returns), we are investing in a socially responsible manner. GBPHB has traditionally served as a resource to denominational investors on socially responsible investing strategies. All United Methodist investors and users of financial services, whether individual or institutional, are encouraged to follow these guidelines.

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# Faithful in Mission—Financially Strong—Socially Responsible

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## **Faithful in Mission**

The General Board of Pension and Health Benefits (General Board) is the financial connection for over 74,000 clergy and lay employees of The United Methodist Church. As financial stewards, our mission is to secure the retirement future for our plan participants across the U.S. and, eventually, around the world. We are a not-for-profit, 100-year-old financial agency, recognized worldwide for our values-aligned investment philosophy and the results we achieve for our participants.

Since 1908, the General Board has provided a financial safety net, managing retirement, health and welfare benefit programs for participants who serve the Church in ministry—in universities, hospitals, foundations, retirement homes and churches of all sizes. Our mission is to support the financial well-being of our plan participants, guided by the Social Principles of The United Methodist Church.

We take our stewardship role seriously in managing retirement and benefit plan assets and institutional deposits for UMC-affiliated organizations that desire to invest with an organization that adheres to the Social Principles. Our financial achievements underscore our dedication to this stewardship role with the advantage of lower fees and excellent market returns.

## **Financially Strong**

Sound investments—prudently managed and broadly diversified—keep us on a steady track of stability and growth to ensure our participants' financial security today and into the future.

With more than \$16 billion in assets under management, the General Board is the largest faith-based pension fund in the U.S. and ranks among the top 100 pension funds in the country. Our funds are designed to compete with traditional mutual funds and other financial institutions, regularly meeting or exceeding benchmark investment returns.

We manage a range of funds representing varying levels of risk and return—from conservative fixed-income instruments and funds that provide built-in diversification among a variety of major asset classes, to stock funds with longer-term objectives. Our scale and the efficient management of our funds result in total fund expenses that are significantly lower than most funds with similar investment objectives.

## **Socially Responsible**

Our socially responsible investing philosophy is what sets the General Board apart from traditional investors. As a socially responsible investor, all of our investments are screened according to investment policies adopted by our Board of Directors, in accordance with the Social Principles of The United Methodist Church. These policies exclude investments in companies earning significant revenues from gambling or from the manufacture, sale or distribution of alcoholic beverages, tobacco-related products, pornography or weapons.

The General Board is an advocate for environmental stewardship, human and workers' rights, access to health care and sound corporate governance practices, in accordance with the Social Principles and *The Book of Resolutions*.

*Advocacy* is an interpersonal effort that takes place through meetings and other discussions with company executives, letter writing, filing of shareholder resolutions and actively voting the proxy cards of almost 3,000 companies annually.

# Faithful in Mission—Socially Strong—Socially Responsible

*Social impact investing* is used to promote affordable housing, community development and expanded loan opportunities for poor communities around the world, all while earning a market rate of return commensurate with risk. Our Investments department works with other nonprofit organizations dedicated to the creation, rehabilitation or preservation of affordable housing and the improvement of disadvantaged communities.

We are the largest denominational investor nationally in community development and affordable-housing programs for low- and moderate-income families. More than \$600 million has been invested in positive social purpose investment opportunities since the program's inception. In total, the General Board has committed to invest more than \$1.7 billion toward this initiative.

The General Board enjoys a global reputation and was one of the original 25 international signatories instrumental in developing the United Nations' *Principles for Responsible Investment*. These six principles urge investors around the world to consider environmental, social and governance issues in their investment decisions and ownership practices in order to improve the sustainability of our planet for future generations.

As you become familiar with our social values and investment philosophy, you will see that they work very well to achieve positive change—financially, socially and globally—all in faithful service to our mission.

