



Board of Pensions
Evangelical Lutheran Church in America

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November 9, 2005

The Rev. David Chancellor
Zion Lutheran Church
624 Barnett Street
Kerrville, TX 78028-4567

Dear Pastor Chancellor:

This letter is written in response to your letter of October 31, 2005, in which you asked:

If an ELCA or former ALC/LCA pastor retires in good standing, is their or their survivor's retirement check, health benefit, or death benefit impacted in any way if they are removed from the retired clergy roster of the ELCA?

First of all, all pastors' pensions are fully vested and will not be impacted in any way by the pastor's removal from the roster. Retired pastors who are removed from the roster will have the same withdrawal rights as other pastors who remain on the roster. Any contributions made while a pastor was performing the duties of a minister of the gospel will be designated as eligible for housing allowance.

With respect to medical benefits, Section 5.01(a) of the ELCA Medical and Dental Benefits Plan reads as follows:

Any individual who is a Sponsored Member on the date of the Member's Separation from Service will be eligible to enroll as a Retired Member under this Medical and Dental Benefits Plan if the member has (i) attained age sixty (60), or (ii) completed a total of thirty (30) years of service with an Eligible Employer.

Thus, a pastor who is in the Medical and Dental Benefits Plan, at the time he or she retires and is age 60 or has completed 30 years of service, will be eligible to enroll in the Medical and Dental Benefits Plan. This enrollment must take place within 60 days of retirement or there are other provisions such as waiting periods which will apply. Coverage will continue until a pastor ceases making contributions or until the plan is terminated.

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With respect to survivor benefits, the ELCA Survivor Benefits Plan at Section 3.06 provides as follows:

- (a) A Sponsored Member shall be entitled to continuation of coverage under this Survivor Benefits Plan as a Retired Member provided that the Sponsored Member satisfies both of the following requirements when the Sponsored Member Separates from Service:
 - (i) The Sponsored Member has at least ten (10) total years of service with an Eligible Employer or one of the Predecessor Churches, and
 - (ii) The Sponsored Member has attained the age of 60 or has completed 30 years of service (expressed in whole years) with an Eligible Employer or one of the Predecessor Churches.

Thus, if a pastor has completed ten years of service with an Eligible Employer and is eligible to retire at age 60 or upon the completion of 30 years of service, he or she shall be entitled to continue the lump sum survivor benefit coverage at her/his own cost until contributions cease or until the plan is terminated.

As we discussed during our telephone call, I would also like to reiterate that I believe it is in the best interest of pastors to remain in the ELCA Pension and Other Benefits Program and on the ELCA Roster. Because of the economies of scale, and the long experience in serving clergy, the Board of Pensions is able to provide pension, health and welfare benefits at a reasonable cost. The Board of Pensions or its predecessors have had over 100 years' experience in dealing with the special needs of our clergy. Thus, our plans are tailored, based on the Board's experience to provide the type of benefits that pastors need during their ministry and in retirement. If money is rolled out of the ELCA Retirement Plan into another non-church sponsored retirement plan, it will lose its eligibility to be designated as housing allowance.

If you have any questions or I can be of further assistance, please feel free to contact me at your convenience.

Sincerely,



Robert H. Rydland
Vice President and General Counsel