

THE PENSION AND BENEFITS BOARD  
ADMINISTRATION GUIDELINES  

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FOR PRESBYTERY CLERKS

# THE PENSION AND BENEFITS BOARD

## ADMINISTRATION GUIDELINES

### TABLE OF CONTENTS

#### **1.0     DEFINITIONS**

#### **2.0     PENSION AND GROUP LIFE INSURANCE ENROLMENTS**

- 2.1     CLERGY ENROLLMENT
- 2.2     CONGREGATIONAL ASSESSMENT
- 2.3     NON-CLERGY ENROLLMENT

#### **3.0     GROUP BENEFITS AND HEALTH AND DENTAL PLAN ENROLMENTS**

- 3.1     CLERGY ENROLLMENT
- 3.2     NON-CLERGY ENROLLMENT
- 3.3     6 MONTH VACANCY REQUIREMENT

#### **4.0     TRANSITION ALLOWANCES**

- 4.1     NOTIFICATION REQUIREMENTS

#### **5.0     IMPORTANT INFORMATION TO SHARE WITH THE PENSION & BENEFITS OFFICE**

#### **6.0     CONTACT INFORMATION**

## **1.0**    **DEFINITIONS**

### **CLERGY:**

- ⇒ Ministers ordained in The Presbyterian Church in Canada.
- ⇒ Diaconal Ministers - members of the Order of Diaconal Ministries of The Presbyterian Church in Canada.
- ⇒ Ministers who have been ordained outside Canada and have successfully completed Education and Reception and are recognized by The Presbyterian Church in Canada (see Book of Forms: 248.0 – 248.13)

### **NON-CLERGY:**

- ⇒ Employees of the Church who are not ordained.
- ⇒ Ministers from another denomination, who have not completed Education and Reception requirements to be recognized by the Presbyterian Church in Canada.

### **MAXIMUM QUALIFYING INCOME (MQI):**

- ⇒ The MQI for any calendar year means the maximum amount of Pensionable Income for each year. This amount is set annually at The General Assembly.

### **PENSIONABLE INCOME:**

- ⇒ Pensionable Income of a Member for any calendar year or part of a calendar year is the stipend or salary paid to such Member by an Employer for that year or part year during which the Member is in Pensionable Service, to a maximum equal to the MQI for such calendar year.

### **STIPEND:**

- ⇒ For pension and benefits calculation purposes stipend shall include an allowance of 60% of actual stipend paid, which shall be in lieu of housing, utilities and other allowances, where these are authorized as part of the minimum earnings by the General Assembly.

### **SALARY:**

- ⇒ For pension and benefits calculation purposes salary shall include any emolument paid by the Employer in respect of premiums for the Extended Health and Dental Insurance Plan, but shall not include any payment of bonus, overtime or other fluctuating emoluments.

## **2.0     PENSION AND GROUP LIFE INSURANCE ENROLMENTS**

### **2.1     CLERGY ENROLMENT:**

It is compulsory for all employed ordained/diaconal ministers who meet the minimum hourly employment requirements to become a member of the pension and group insurance plan of the church. The Presbytery Clerk must notify the Pension and Benefits office of all new calls, inductions, designations, recognitions etc.

#### **Book of Forms - 240.0:**

It is the duty of the presbytery to call the attention of the newly inducted minister to the regulations of the Assembly regarding the Pension Fund and membership in the Group Insurance Plan as currently required.

#### **Acts and Proceedings (Declaratory Act: A&P 1987, p364,31):**

That section 240 of the Book of Forms be interpreted to mean that the Clerk of Presbytery, at the time of the induction of a minister, will privately inform the candidate of the requirements of section 240; and that the clerk will subsequently forward the person's name to the Pension Board. The same process will be followed at the time of the ordination, designation and recognition of professional church workers and whenever such are received into the ministry of this Church from other denominations.

It is the Clerk's responsibility to ensure that all congregational treasurers are remitting Pension and Group Insurance deductions monthly as set out by the pension legislation (*Pension Benefits Act (ON) Reg. 4(4)(1)*).

Pension contribution deadline is December 31 of the year the contributions were deducted. If all member contributions are not received by December 31<sup>st</sup>, the member's pension accrual for that year will be affected. (*Pension Benefits Act (ON) Reg. 4(4)(1)*).

### **2.2     CONGREGATIONAL ASSESSMENT:**

Effective January 1, 2017, all congregations are required to contribute to the pension fund. The pension plan congregational assessment is calculated as a percentage of the church's dollar base reported on the Session Annual Statistical Report from 2 years previous.

In 2014, the General Assembly agreed to remove the four-year vacancy exemption, in support of establishing the principle that all congregations throughout their entire life have an ongoing obligation to the pension fund. The removal of the vacancy exemption was effective January 1, 2015 with the proviso that congregations who were exempt prior to the effective date would begin making contributions to the pension fund effective January 1, 2017.

### **2.3     NON-CLERGY ENROLMENT:**

The Pension and Group benefits can be offered to all employees who meet the minimum employment requirements, however it is not compulsory.

When offering Pension and Group benefits to a non-clergy employee the congregation will be required to make additional employer pension payments into the fund. The congregation will also be required to pay the associated health and dental premiums.

The Clerk of Session should contact the Pension and Benefits office for a breakdown of costs prior to offering pension and benefits. Authorization from the Clerk of Session is required to enroll all non-clergy members into the Pension and Group benefits plan.

### **3.0     GROUP BENEFITS / HEALTH AND DENTAL PLAN ENROLMENT**

The Group Benefits Plan of the Presbyterian Church in Canada includes Basic Life, Dependant Life, Accidental Death and Dismemberment (AD&), Long Term Disability (LTD) and Health and Dental coverage. The Health and Dental premiums are paid by the employer and Life Insurance and LTD is paid by the employee through payroll deductions. Under the terms of our contract with Sun Life, it is not possible to enroll into the Health and Dental coverage without enrolment into the Basic Life Insurance and Long Term Disability coverage.

#### **3.1     CLERGY ENROLMENTS:**

It is compulsory for all ordained/diaconal ministers who are working a minimum of 20 hours per week to be a member of the Group Benefits Plan of the Presbyterian Church in Canada.

#### **3.2     NON-CLERGY ENROLMENTS:**

Any employees (secretaries, CED's, custodians etc) who meet the 20 hour requirement are eligible to join the Group Benefits plan with the stipulation that if one joins, all join.

**Acts and Proceedings** (A&P 1998; p. 219):

At the 1998 General Assembly, the plan was amended to allow participation of non-clergy full-time and part-time (20 hours or more) staff to be enrolled into the Health and Dental plan. The one condition is that all non-clergy employees employed by congregations would be enrolled provided they meet the 20 hours per week requirement.

Authorization from the Clerk of Session is required to enroll all non-clergy members into the Group Benefits plan.

#### **3.3     6 MONTH VACANCY REQUIREMENT FOR THE HEALTH AND DENTAL PLAN:**

When a position becomes vacant, the congregation is required to continue health and dental premiums for 6 months after the vacancy. Once the 6 month period is complete and the congregation remains vacant, the Clerk of Presbytery must notify the Pension and Benefits Board Office in writing in order to cancel the billing.

**Acts and Proceedings** (A&P 1986, p. 213):

The regulations set by the General Assembly state that congregations pay premiums not for specific persons, but for the number of authorized staff positions and those premiums are to be paid whether or not the position is filled when premiums are due.

**Acts and Proceeding** (A&P 2006, p. 469)

When any position that has been authorized for H&D coverage becomes vacant, the congregation is required to continue health and dental premiums for 6 months after the vacancy. Once the 6 month period is complete and the congregation remains vacant, the Clerk of Presbytery must notify the Pension and Benefits Board Office in writing in order to cancel the billing

If the position was held by a non-clergy member, the Clerk of Session must contact the Pension and Benefits Board Office in writing in order to cancel the billing.

<b>IMPORTANT NOTE: The vacancy will begin when the congregation is no longer paying a stipend/salary of a Minister or Congregational Employee.</b>
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#### **4.0     TRANSITION ALLOWANCES**

It is the Clerk's responsibility to inform the Pension and Benefits Board Office when a minister is receiving a transition allowance so that we may continue to track contributions, pensionable service and apply for continuation of benefits with the service provider.

##### **Group Benefits Plan:**

Enrolment in and coverage under the church's health and dental plan, excluding out-of-country emergency travel assistance, continues until the transition period ends. This is subject to approval by the plan provider, upon application by the Pension and Benefits Office, and subject to the terms and conditions of the applicable plan policy. Therefore the presbytery clerk must provide the Pension and Benefits Office with the terms of the transition period. Extension of coverage shall not exceed 24 months.

All other benefit coverage, including insurance for life, dependent life, accidental death and dismemberment, and long-term disability, shall cease after a period of eight (8) weeks. The usual monthly deduction for the insurance noted above is taken off the minister's monthly income continuance until the end of the eighth week.

##### **Pension:**

The minister continues to accrue increments of pensionable service until the transition period ends. The usual monthly deduction is taken off the minister's monthly income continuance.

Presbytery must ensure that congregations continue to remit the required deductions, contributions and payments during the period of transition.

##### **Book of Forms: 232.1**

Presbytery, when setting the date for the dissolving of the pastoral tie by call, appointment, resignation, retirement, etc. shall ascertain whether there are outstanding financial matters needing to be cared for as between the minister on the one hand and the congregation, presbytery or agencies of the church on the other hand, and if there are such matters presbytery shall take proper action in reference to the same. When due to an oversight, a claim has not been dealt with at that time, it should be lodged with the presbytery within ninety days of dissolving of the pastoral tie.

## **5.0     IMPORTANT INFORMATION TO SHARE WITH THE PENSION AND BENEFITS OFFICE**

It is imperative that the Pension and Benefits office be notified of the following:

- New calls, inductions, recognitions and designations
- Dissolution of pastoral ties – Transition allowances
- Upcoming retirements
- Changes to the call/employment status (i.e. percentage of time change, leave of absences, resignations, etc)

## **6.0     CONTACT INFORMATION**

### **General inquires:**

The Pension and Benefits Board Office  
50 Wynford Dr.  
Toronto ON M3C 1J7  
416-441-1111 ext. 230 or 233  
1-800-619-7301 ext. 230 or 233  
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