



THE PENSION AND BENEFITS BOARD ADMINISTRATION GUIDE

**FOR PRESBYTERY CLERKS &
CLERKS OF SESSION**



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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.

PENSIONABLE SERVICE:

- The "Pensionable Service" of a Member means the total of those periods of full-time and pro-rated part-time service during which the Member made contributions to the Plan, and any periods of Back Service purchased pursuant to Section 20 and Prior Service pursuant to Section 1.25 of the Pension Plan Constitution. Pensionable Service shall also include any periods for which pension rights were granted prior to September 30, 1972 – with or without Member contributions – under the Previous Plan, or the Retirement Fund for Church Employees.

STIPEND:

- For pension and benefits calculation purposes, stipend shall include an allowance of 60% of actual stipend paid, which is 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 premium paid by the Employer for the Extended Health and Dental Insurance Plan, but shall not include any payment of bonus, overtime or other fluctuating emoluments.

PART 1

FOR PRESBYTERY CLERKS



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. For pension plan enrolment, members must work a minimum of 8 hours per week to be eligible to participate in the plan. For group benefits plan enrolment, members must work a minimum of 20 hours per week to be eligible for coverage. 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)

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 31st, the member's pension accrual for that year will be affected. (Pension Benefits Act (ON) Reg. 4(4)(1)).

Pension

All ordained/diaconal ministers who work a minimum of 8 hours per week are eligible to join the pension plan. It is compulsory for those work 50% or more of their standard work week.

Group Benefits

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.

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

Pension Plan Congregational Assessment

It is an established principle that all congregations have an ongoing obligation to the pension fund throughout their entire life. All congregations are required to contribute annually to the pension fund through the Pension Plan Congregational Assessment. Since January 1, 2017, the Congregational Assessment is calculated as a percentage of a church's dollar base reported on the Session Annual Statistical Report from 2 years previous.

Removal of Vacancy Exemption from the Pension Plan

In 2014, the General Assembly agreed to remove the four-year vacancy exemption, in accordance with the principle that congregations have an ongoing obligation to contribute to funding the pension plan. 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.

6 Month Vacancy Requirement for Health and Dental Plan

Acts and Proceedings (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 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 Office in writing in order to cancel the billing.

IMPORTANT NOTE:

The vacancy will begin when the congregation is no longer paying a stipend/salary of a Minister or Congregational Employee.

It is the Clerk's responsibility to inform the Pension and Benefits 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.

Transition Allowance

The transition allowance is intended to help provide a bridge while the minister fulfills requirements set by the presbytery or searches for another call or other employment. The transition allowance is:

- An amount equivalent to the stipend and allowances (including housing) the minister was receiving at the time the pastoral tie was dissolved
- Given monthly throughout the transition period

The transition period is the number of months after the dissolution of the pastoral tie that the congregation is required to maintain the minister's employment income at the level of stipend and allowances the minister was receiving at dissolution.

For more information on transitional allowances, please refer to the **Policy for the Dissolution of Pastoral Ties**.

Group Benefits Plan Continuance

Health & Dental

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.

Life Insurance, LTD & AD&D

Life insurance, dependent life, accidental death and dismemberment, and long-term disability, shall cease after a period of eight (8) weeks. The usual monthly deduction is made from the minister's monthly income continuance until the end of the eighth week.

Pension Plan Continuance

The minister continues to accrue increments of pensionable service until the transition period ends. The usual monthly deduction is made from 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:

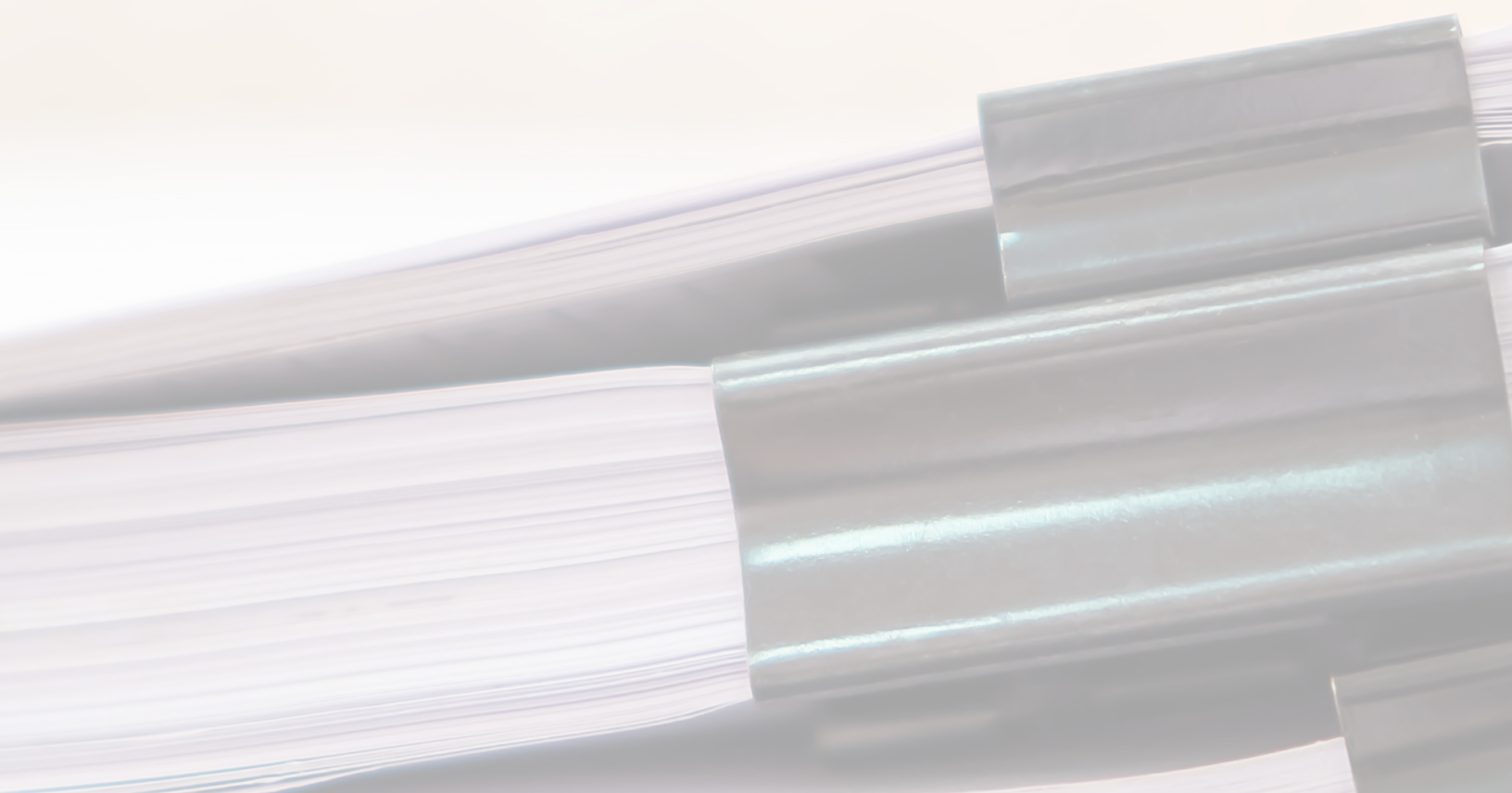
Presbytery, when setting the date for the dissolving of the pastoral tie by call, appointment, resignation, retirement, etc. shall ascertain whether there are outstanding financial matters needing to be cared for as between the minister on the one hand and the congregation, presbytery or agencies of 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.

Resignation

When a member resigns from their congregation, their benefits will end on their last day worked. It is not possible to continue pension and benefits beyond a members last day. It is the Clerk's responsibility to advise the Pension and Benefits Office immediately of the resignation date, allowing the benefits to be cancelled and information related to pension and benefits will be provided to the members within 30 days.

PART 2

FOR CLERKS OF SESSION



Non-Clergy Enrolment

The Pension and Group benefit plans can be offered to all employees who meet the minimum employment requirements, however it is not compulsory. For pension plan enrolment, members must work a minimum of 8 hours per week to be eligible to participate in the plan. For group benefits plan enrolment, members must work a minimum of 20 hours per week to be eligible for coverage.

Employers can offer Group Benefits and Pension together or separately.

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

Group Benefit Enrolments

Any employees (secretaries, CED's, custodians etc) who work 20 hours or more per week are eligible to join the Group Benefits plan with the stipulation that all eligible employees who meet the criteria also join the plan.

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

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.

Written authorization from the Clerk of Session is required to enrol non-clergy members into the Group Benefits plan. The congregation will also be required to pay the associated health and dental premiums.

Pension

Enrolment in the Pension plan is available to non-clergy employees whose congregations/employers choose to participate in the pension plan. Employees must work a minimum of 8 hours per week to be eligible for enrolment.

Employer Pension Contribution

When offering Pension to a non-clergy employee the congregation will be required to make additional employer pension payments into the fund. These contributions are in addition to the Pension Plan Congregational Assessment required by the congregation.

Resignation

When a member resigns from their position, their pension and benefits will end on their last day worked. It is not possible to continue pension and benefits beyond a members last day of pay. It is the Clerk of Session's responsibility to advise the Pension and Benefits Office immediately of the members resignation date, so that the benefits can be cancelled and information related to pension and benefits can be provided to the member within 30 days of their last day worked.

Severance Agreements

It is the Clerk of Session's responsibility to inform the Pension and Benefits Office when an employee is receiving a severance package so that we may continue to track contributions, pensionable service and apply for continuation of benefits with the service provider.

Group Benefits Plan Continuance

Health & Dental

Enrolment in and coverage under the church's health and dental plan, excluding out-of-country emergency travel assistance, may continue during a severance agreement. 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 Clerk of Session must provide the Pension and Benefits Office with the terms of the severance arrangement. Extension of coverage shall not exceed 24 months.

Life Insurance, LTD & AD&D

Life insurance, dependent life, accidental death and dismemberment, and long-term disability, must cease no later than eight (8) weeks from the start of the severance agreement. The usual monthly deduction for the insurance noted above is taken off the employee's monthly income continuance until the coverage end date.

Pension Plan Continuance

The employee may continue to accrue increments of pensionable service until the end of the severance agreement. The usual monthly deduction is made from the employee's monthly income continuance. The Clerk of Session must ensure that the congregation continues to remit the required deductions, contributions and payments during the severance period.

6 Month Vacancy Requirement for Health and Dental Plan

Acts and Proceedings (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 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 Office in writing in order to cancel the billing.

IMPORTANT NOTE:

The vacancy will begin when the congregation is no longer paying a stipend/salary of a Minister or Congregational Employee.

General inquires:

The Pension and Benefits Office
 50 Wynford Dr.
 Toronto ON M3C 1J7

Email: pension@presbyterian.ca

Staff:

Liane Maki - Health & Dental Specialist/Pension & Benefits Clerk

Email: lmaki@presbyterian.ca

Tel: 416-441-1111 or 1-800-619-7301 ext. 233

Liane can answer questions about pension and group insurance calculations/deductions, the group benefits plan, congregational assessments/employer share payments, maternity/parental leave calculations and reimbursement and pulpit supply. She also processes all new enrolments for members coming into the pension and benefits plans.

Patty Panagiotopoulos - Administrator

Email: ppanagiotopoulos@presbyterian.ca

Tel: 416-441-1111 or 1-800-619-7301 ext. 229

Patty can answer your questions related to retirements, terminations, long-term disability, deaths, survivor benefits and marital status changes. Patty works closely with plan members considering retirement and can answer any questions related to plan member pension benefits.

Perri Jeffery - Communications Coordinator

Email: pjeffery@presbyterian.ca

Tel: 416-441-1111 or 1-800-619-7301 ext. 230

Perri handles all major communications coming from the Pension and Benefits office, including emails, newsletters, and website updates. She also assists with routine pension and benefits questions and helps point you in the right direction to find additional resources.

Nicole Jeffrey - Director

Email: njeffrey@presbyterian.ca

Tel: 416-441-1111 or 1-800-619-7301 ext. 287

Nicole oversees the administration of our pension and benefits plans, reviews and prepares policy updates, prepares regulatory filings, ensures the plans are current with legislative updates and works closely with the Pension and Benefits Board to maintain good plan governance.

Carrie Macmillan - Communications Coordinator

On maternity leave

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 hires, calls, inductions, recognitions & designations
- Resignations
- Terminations & Severance packages or Dissolution of Pastoral Ties – Transition allowances
- Upcoming retirements
- Changes to the employment status or call (i.e. percentage of time change, leave of absences, etc)