



connex

IMPORTANT UPDATES FROM PC-MEPS

Please circulate to

- ✓ Treasurer
- ✓ M&P Committee
- ✓ Ministry Personnel
- ✓ Lay Employees
- ✓ Presbytery Personnel/E&S Rep.
- ✓ Pension Convenor
- ✓ Church Board/Office

Keeping the Pension Promise



Photo: © Jamie Roach | Dreamstime.com

By Brian Copeland

I have represented the Permanent Committee on Ministry and Employment Policies and Services (PC-MEPS) as a member of the Pension Board for several years. First and foremost on the mind of every member of the United Church Pension Board is to be certain that the fund can pay our pensioners and our active members the benefit they were promised from the moment they enrolled in the plan. Until the great recession of 2008, this rolled along well; the plan could afford to grant periodic increases because interest rates remained high and equities were dependable sources of increased value.

The decade since has been challenging, due in large part to historically low interest rates, which

adversely affect defined benefit plans. It pains the members of the Pension Board that we have not been able to give our deserving pensioners and active members any benefit improvements in recent years.

What we have done is work to ensure that the plan is in a position to keep the pension promise. Not all plans in Canada, or indeed around the globe, are in a position to pay what they have pledged. Defined benefit plans like ours are under huge stresses, but the Pension Board has been firm in its resolve to maintain this type of plan for all of our faithful retirees and for our active members, who bring the community of faith alive in such a variety of ways.

The most significant change I have seen in my nine years on the Board

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- New policy regarding retired ministry personnel
- Responsible investment efforts through SHARE
- STRAIGHT TALK about our pension plan

is a strengthened commitment to responsible investing. I have been part of the Working Group on Responsible Investment, which has become, in the last five years, one of the Board's principal concerns. Recently we were complimented by a third party for our dedication to responsible investment and are considered a leader in the field.

Everyone on the Pension Board, from specialists to members at large, feels a responsibility to ensure that our plan will always be there for the wonderful and grace-filled folk who have given such service to the United Church. Our members and our promise to them are at the heart of our mission, and we will do everything to ensure that the benefits you have earned will be there for you this year and in the years to come.

—The Rev. Brian Copeland currently serves Glen Cairn United Church in Kanata, Ontario.



Mental Health in Communities of Faith

Mental illness has a big impact on Canadian society, with one in five Canadians experiencing a mental health problem in any given year. Within the church, a growing number of ministry personnel struggle with mental illness. In fact, mental illness is the primary source of claims to the restorative care and long-term disability plans, at levels well above other helping professions. Because we yearn for flourishing ministry leadership, this is worrisome. Members of communities of faith also struggle with their mental health. The church offers two approaches to respond to these concerns.

Employee and Family Assistance Program

To support ministry personnel, we promote the Employee and Family Assistance Program (EFAP). New this year is the LifeSpeak wellness platform (www.united-church.ca; search “LifeSpeak”), which offers helpful videos on topics such as anxiety and depression. The latter can equip ministry personnel when they encounter mental illness among members of their community of faith.

Breaking the Silence on Mental Illness

To begin to break the silence and end the stigma around mental illness in communities of faith, we are partnering with our EFAP provider to lead a workshop on mental health awareness at the upcoming Festival of Faith (generalcouncil43.ca/festival) on Saturday, July 21, in Oshawa, ON.

While many resources offer a secular lens on mental health, as people of faith we can reflect on it theologically. The words of Paul in his letter to the Romans (Romans 8:38-39) offer reassurance that nothing, not even mental illness, can separate us from God’s love in Christ.

For more information, contact the Rev. Adam Hanley, Program Coordinator, Ministry Personnel Vitality, at 1-800-268-3781 ext. 3147 or ahanley@united-church.ca.

New Policy regarding Retired Ministry Personnel

Our pastoral relations policy with respect to re-engaging retired ministry personnel must align with the terms of the pension plan, the Income Tax Act, and human rights legislation. To bring consistency and clarity about what a change “in status and function” means for those ministry personnel choosing to draw their pension (younger than 71 years old) and the pastoral relations process for ministry personnel who must draw pension (by December 1 of the year they turn 71), the Executive of the General Council has adopted the following pastoral relations policy:

1. Definition: That a distinction be made between “retired pensioners” and “re-engaged pensioners.” “Retired pensioners” are those ministry personnel who are drawing their pension from the plan and are no longer serving in paid accountable positions. “Re-engaged pensioners” are those who are drawing their pension from the plan and are serving the church by way of appointment.
2. That with respect to those ministry personnel *choosing* to draw their pension,
 - a. there be a period of at least 13 continuous weeks between the effective date of the first pension payment and the date of entering into a subsequent appointment, and
 - b. there be no discussions or consideration of any return to work for that individual until after that ministry personnel’s retirement date, and even then only on terms and conditions that are substantially different from those terms that applied prior to retirement. Examples of “substantially different” include another pastoral charge, number of hours, or different responsibilities.
3. That with respect to those individuals who must draw their pension as required by the Income Tax Act, there be no change to the terms of call or appointment.



What This Means for Ministry Personnel

If you are drawing your pension to comply with the Income Tax Act and regulations (i.e., you are in your 71st year), you can remain in your call or appointment. Your deductions will change since you and your employer will no longer be contributing to the pension plan. Once you leave that call, you are eligible to accept an appointment as a re-engaged pensioner or to be a retired pensioner.

If you are choosing to draw your pension (before December 1 of the year in which you turn 71), you may not remain in your call or appointment. You must demonstrate that your continuous service has ceased by

not entering new employment with The United Church of Canada for at least 13 weeks. Following that break, you are eligible to accept an appointment as a re-engaged pensioner. Presbytery/regional council or pastoral charge action related to that appointment cannot happen until after your retirement date. You will be asked to confirm that there is a break in your service when you apply for your pension.

Ministry personnel who are eligible only for appointment, not call, because they are drawing their pension must indicate this to the search committee or equivalent.

PENSION



2017 Pension Annual Report

The 2017 Pension Annual Report is available at www.united-church.ca/leadership/church-administration/pension.

If you would like a printed copy, please contact the Ministry and Employment unit: 1-800-268-3781, ext. 3031, or MinistryandEmployment@united-church.ca.

Responsible Investment Efforts through SHARE

Working with the Shareholder Association for Research and Education (SHARE), the pension plan successfully convinced First Quantum Minerals to report on its approach to human rights. The report should be issued during the second half of 2018, including how the company identifies and prevents issues as well as tracks grievance management, resettlement, security, and labour practices.

The pension plan supported SHARE's efforts with Encana Corporation to improve disclosure of its methane emissions practices because the company's disclosure of such emissions had declined over the last year.

STRAIGHT TALK about Our Pension Plan

The pension plan is completely separate from the benefit plans, but for retired members with benefit coverage, benefit premiums are deducted from their monthly pension payment. Changes to benefit premiums therefore affect the net pension amount retired members receive. In 2012, the Group Benefits for Pensioners Plan reduced premiums, using plan reserves to subsidize the cost of benefits. Then, in 2018, premiums were increased to bring them a little closer to covering the actual costs of benefits paid, causing the net pension amount received by retirees with benefits to drop.

We realize that our retired members are feeling the effects of inflation. Some members have written to tell us about other plans they belong to or have heard about that provide automatic indexing of benefits. We cannot comment on other pension plans' designs or levels of funding, especially plans in other countries.

The Pension Board and its committees aspire to provide benefit improvements, and will do so if and when the plan has sufficient resources to fund these improvements without compromising the security of the current benefit.



Glucose Monitoring Systems Now Covered

As of June 1, 2018, Green Shield Canada covers glucose monitoring systems under the extended health benefits plans.

A subset of plan members with insulin-dependent diabetes is eligible for this coverage based on specific medical criteria. The benefit is subject to medical authorization. Call 1-888-711-1119 for additional information on eligibility and to ask for the authorization form.



COMPENSATION AND PAYROLL

2019 Minimum Salaries for Ministry Personnel

Minimum salaries for ministry personnel have been adjusted to reflect the annual cost of living increase. For 2019, the increase is 1.6 percent. To see the new minimums and other compensation-related information, go to www.united-church.ca and search “salary schedule.” If you have questions, please contact 1-800-268-3781, ext. 2757 or 3132, or payroll@united-church.ca.

Merging, Amalgamating, or Changing Pastoral Charge Name?

You will need to provide ADP with documents from Canada Revenue Agency showing your new business number and new operating name.

Bank accounts or remittances cannot be changed until all paperwork has been received. Processing this paperwork then takes 10 business days.

To ensure you have all the information required, please contact 1-800-268-3781, ext. 2757 or 3132, or e-mail payroll@united-church.ca.

Summer Closure: What Treasurers Need to Do

Does your pastoral charge close over the summer? Do you remit United Church pension and benefit premiums through ADP? If so, ADP needs to be notified of the closure and remittances missed over the summer months need to be reconciled. For further instructions, go to www.united-church.ca and search “summer closure.” If you have questions, please contact 1-800-268-3781, ext. 2757 or 3132, or payroll@united-church.ca.

Distribution of Connex For this edition of *Connex*, printed copies are being sent to pastoral charges and other participating employers. If you are a plan member and do not have an e-mail address on your pension record, you will also receive a printed copy at your home address. We are sending an e-mail notification with a link to access *Connex* to all plan members who have an e-mail address on file.

CONTACT US

Connex is the newsletter of the Permanent Committee on Ministry and Employment Policies and Services (PC-MEPS), the Ministry and Employment unit at General Council Office, and The Pension Plan of The United Church of Canada.

United Church Benefits Centre: 1-855-647-8222
(update personal information; start pension)

Green Shield Canada: 1-888-711-1119 greenshield.ca
(questions on coverage for health and dental; online tools; reminders)

Pastoral Charge Payroll Service: 1-800-268-3781,
ext. 3132 or 2757 payroll@united-church.ca

Employee and Family Assistance Program (EFAP): Confidential, 24/7
1-800-387-4765 (English), 1-800-361-5676 (français) shepell.com

Ministry and Employment unit at GCO: 1-800-268-3781
MinistryandEmployment@united-church.ca



Ministry Personnel Compensation Update

Triennial reassessment

All pastoral charges have been assigned to a cost of living (COL) group based on the median home value (obtained through realtor.ca) in the city, town, or rural community in which the pastoral charge is located. Every three years the median home value is reassessed. If the value has changed, the pastoral charge may be reassigned to a lower or higher COL group.

The first assignment to COL groups occurred in spring 2014 (effective January 1, 2015). The reassessment occurs in 2018 (effective January 1, 2019). This was delayed by one year to ensure that all ministry personnel had moved to the new compensation model. Updated COL group pastoral charge assignments will be posted on the United Church website in July 2018.

In situations where the pastoral charge's COL group assignment goes up, effective January 1, 2019, the minister's salary must be adjusted as follows:

- If the PR450 stipulates an amount or percentage above the minimum salary, the new salary must be that amount above the minimum for your new COL group. This should be recorded in the minutes of the governing body.
- If the PR450 does not stipulate an amount or percentage above the minimum salary but the salary is above the new minimum, the pastoral charge may honour the previous difference above minimum, but is not required to do so.

In situations where the pastoral charge's COL group assignment goes down, the minister's salary will not be reduced. The salary is "red-circled" (a common employment practice used when an employee's pay exceeds the salary for the position). The annual cost of living increase is therefore not required (but is encouraged) if the minister is above the minimum.

Calculation for a year of credited service

Minimum salaries for ministry personnel are based on credited years of service. For Order of Ministry and Recognized Designated Lay Ministry, there are seniority increment categories: A (1 to 2 years), B (3 to 4 years), C (5 to 7 years), D (8 to 10 years), E (11 to 13 years), and F (14+ years). For students, there are steps: 1 (1 to 2 years), and 2 (3+ years).

Effective January 1, 2019, the calculation for a year of credited service for paid accountable ministry work has changed from 750 hours in one calendar year to 728 hours in one calendar year (14 hours per week). For years in which paid accountable ministry work is less than 728 hours, the hours worked can be banked if the yearly paid work is more than 416 hours (8 hours per week). Once 728 hours of paid work is reached, a year of credited service will be calculated for the purpose of moving through the salary seniority categories.



Normal heating cost for manse

Effective January 1, 2019, where ministry personnel pay for utilities, the normal heating cost paid by ministry personnel has increased from \$500 to \$800, with the pastoral charge responsible for any heating costs above this.

Overview effective January 1, 2019

- Minimum salaries: **1.6% increase to the 2018 minimum salaries**
- Continuing education and learning resources: **\$1,415 annually**
- Travel: **\$0.40 per kilometre**
- Visiting ministry personnel: **\$212 daily rate**
- Remote manse allowance: **\$2,550**
- Manse heating cost to be paid by ministry personnel: **up to \$800 annually**