



The Pension and Benefits Board

To: Congregational Treasurers, Synod/Presbytery Employers and Presbytery Clerks

**Re: 2010 Member Pension and Group Life Insurance
2010 Maximum Qualifying Income 2010 Health & Dental Premiums
Employer Pension Costs - Congregational Assessment**

This memo contains important information for treasurers and other employers responsible for payroll deductions for members of the Presbyterian Church in Canada Pension Plan and the Group Benefits Plan.

Effective January 1, 2010:

- **Maximum Qualifying Income** (for pension and group benefits purposes) is **\$63,720**. (A&P 2009, pg 225).
- **Health and Dental premium** is **\$3,579.00 per position** plus provincial tax where applicable.

Clergy: Ordained & Diaconal – Monthly Member and Employer costs

Please use the following chart to calculate *Member* and *Congregation* Pension and Benefit costs:
Example uses the 2010 Maximum Qualifying Income, \$63,720 and \$base (according to a Session Statistical Report) of \$195,000.

Monthly qualifying income (QI)*	Employee Pension contribution	Employee Group Life benefits cost	Optional group insurance	Monthly Employer Pension cost
(Basic stipend x 160%) / 12 = QI	QI x 6%	QI x 1.35% + ON (pst) PQ (qst)	Invoiced separately – cost varies + ON (pst) PQ (qst)	\$base x 3% / 12
\$5,310.00	\$318.60	\$71.69		\$487.50

*QI – For Professional Church workers, ordained and diaconal, the qualifying income or pensionable income is defined as the sum of the actual stipend and 60% (percent) of stipend (in lieu of allowances) to the annual maximum. (A&P 2009, pg 226)

Member Contribution Rates

The member contribution rate for the pension plan is 6% of the member’s qualifying income.

The member contribution rate for the group life benefits plan is 1.35% of the member’s qualifying income. Please note: in order for benefits claimed by the member to be non-taxable, the member (not the congregation) must pay the group life benefit premium.

Congregation Contribution Rate

The Congregational Assessment rate is 3% of the dollar base figure as determined by the Annual Session Statistical Report as at December 31, 2009. The congregational assessment is the employer contribution to the pension fund – it is not related to the individual minister’s contribution.

Congregational Employees & Non Clergy Employees - Monthly Member and Employer costs

Please use the following chart to calculate **Member and Employer** Pension and Benefit costs:
Example uses annual salary of \$30,000.00 and health and dental premium \$3,579.00.

Monthly qualifying income (QI)**	Employee Pension contribution	Employee Group Life benefits cost	Optional life insurance	Monthly Employer Pension cost
Salary + amount of health & dental premium (if applicable) /12 = QI	QI x 6%	QI x 1.35% + ON (pst) PQ (qst)	Invoiced separately – cost varies + ON (pst) PQ (qst)	QI x 7%
\$2,798.25	\$167.90	\$37.78		195.88

** For congregational employees and non clergy employees, the qualifying income or pensionable income shall include salary plus the amount of the health and dental premiums paid by the employer but shall not include any payments of bonus, overtime, or other fluctuating emoluments. If the employee is *not* a member of the Church's health and dental plan, use salary figure only.

Member Contribution Rates

The member contribution rate for the pension plan is 6% of the member's qualifying income.

The member contribution rate for the group life benefits plan is 1.35% of the member's qualifying income. Please note: in order for benefits claimed by the member to be non-taxable, the member (not the employer) must pay the group life benefit cost.

Employer Contribution Rate

For congregational employees, support staff and all other non clergy employees, the employer contribution rate for the pension plan is 7% of the member's qualifying income. (Please note: the 7% employer contribution rate also applies to ordained or diaconal ministers if they do not work in a congregation, for example clergy who are employed by 50 Wynford or the colleges.)

A Reminder about Due Dates

Pension regulations require that member and employer contributions be remitted on a monthly basis. Please ensure that you submit all contributions, *together with the appropriate completed remittance form*, by the last day of the month in which they are due (similar to the process you follow for CPP and EI contributions)

Remittance Forms

Please ensure that all payments are recorded on the appropriate remittance form and include:

- Name
- SIN #
- Congregation Code

Payments for clergy within a congregation are recorded on the green remittance form.

Payments for clergy *not in a congregation* and payments for congregational employees are recorded on the purple remittance form.

Please contact Olive Clarke in the Pension and Benefits office if you require assistance – **1-800-619-7301 or 416-441-1111 ext 230**. This form and other treasurer memos and information may be found on the Pension and Benefits Board website: www.presbyterian.ca follow the Quicklinks button for Pension and Benefits.