ISSUE 61 | DECEMBER 2019

connex

IMPORTANT UPDATES FROM MINISTRY AND EMPLOYMENT

Please circulate to ✔ Treasurer ✔ M&P Committee ✔ Ministry Personnel ✔ Lay Employees ✔ Church Board/Office

IN THIS ISSUE

Group Insurance Premiums Increasing in 2020

The main objective of The United Church of Canada's group insurance plans is to provide sustainable and affordable basic-level protection against economic loss resulting from death, disability, and extraordinary medical/dental expenses.

We are currently faced with rising benefit costs due to an aging population, drug price inflation, and a shrinking number of participating employers, all of which challenge our ability to provide comprehensive and well-priced coverage.

Staff at the General Council Office are working with advisers to determine what can be done to maintain the plans' objectives. As that work progresses, updates will be communicated to plan members and their employers through *Connex* and other communication channels.

Against that backdrop, the premium rates for 2020 must increase by 9.5 percent for all benefits except Long-Term Disability (LTD). Following the expiry of a negotiated preferential LTD rate, our premium rate for LTD must increase by 15 percent to maintain the self-sustainability of this employee-funded benefit.

Please see this issue's *Xtra* insert for a chart of premiums for 2020.

Photo: Vanessa Van Rensburg | Dreamstime.com

Pension Increase Effective January 1, 2020

Good news! As announced in a recent letter from Pension Board Chair Marcus Robertson, pension plan members will receive a pension increase effective January 1, 2020. For more details, please see "Straight Talk about Your Pension Plan" on page 2.

Current pensioners and deferred members will receive a 4 percent* increase to their pension amount effective January 1, 2020.

For active members, the accrual rate will increase to 1.85 percent in 2020 from the current rate of 1.4 percent. In 2021 the accrual rate will return to 1.4 percent.

* The *Income Tax Act* and regulations limit pension increases to the cumulative growth in Consumer Price Index since the pension commenced. For this reason, recently retired pensioners and deferred members who terminated employment recently will see a lesser increase.

Straight Talk about Your Pension Plan

As mentioned on the front page, pension plan members will receive pension increases effective January 1, 2020.

How Were the Increases Determined?

The Pension Board determined that it is reasonable and prudent to spend the surplus in excess of the buffer kept for adverse conditions. This surplus allowed for a 4 percent increase for pensioners and deferred members* and a one-year accrual increase for active members.

Why Didn’t the Pension Board Grant Full Cost-of-Living Increases?

The Pension Board believes that, at this time, providing greater increases would compromise long-term security of the pension fund.

What about Future Increases?

There will be no automatic indexing or increase going forward. The Pension Board and Pension Plan Advisory Committee annually assess the resources available and determine whether there are surplus funds that can be used to increase benefits.

Active Members

For active members, the accrual rate will increase to 1.85 percent in 2020 from the current rate of 1.4 percent. In 2021 the accrual rate will return to 1.4 percent.

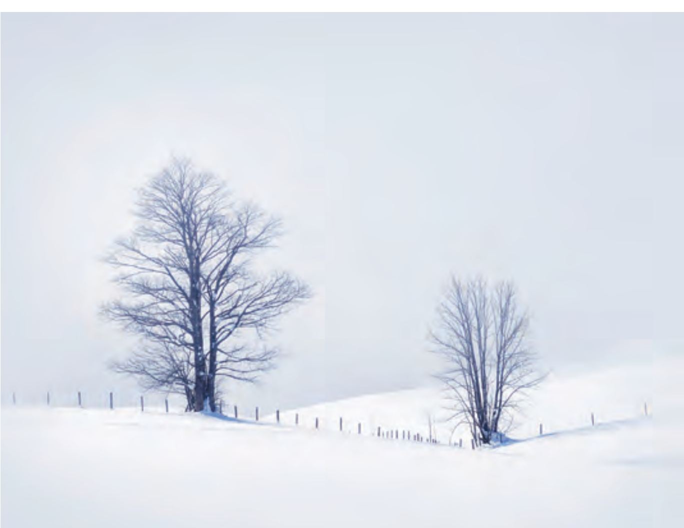


Photo: Seemitch | Dreamstime.com

What Does “Accrual Rate” Mean?

The accrual rate is the rate at which you earn your pension. In 2019, you earn your pension at the rate of 1.4 percent of your pensionable earnings.

How Does This Work?

You earn a piece of pension every year that you work and contribute to the plan—like building blocks. **For example, if your pensionable earnings were $50,000:**

In 2019, you would earn an annual pension of $700 (**1.4 percent** of $50,000).

In 2020, you would earn an annual pension of $925 (**1.85 percent** of $50,000).

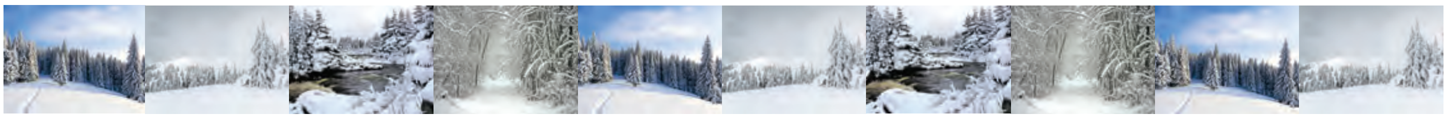
Then, in 2021, you would go back to earning $700 of annual pension (**1.4 percent** of $50,000) because the accrual rate will return to 1.4 percent.

At the end of your career, the annual pension amounts earned each year will add up to the total annual pension you will receive every year for the rest of your life. So, the higher amount earned in 2020 will continue to benefit you for the rest of your retired life.

* The *Income Tax Act* and regulations limit pension increases to the cumulative growth in Consumer Price Index since the pension commenced. For this reason, recently retired pensioners and deferred members who terminated employment recently will see a lesser increase.

Responsible Investment Efforts through SHARE

Through SHARE, the Shareholder Association for Research & Education, the pension plan joined other investors in asking Australia and New Zealand Banking Group, Bank of America, and Wells Fargo about their efforts to address climate change. This is part of a broader engagement with a number of banks on reducing the greenhouse gas emissions associated with their lending practices. The severity of climate change necessitates urgent and drastic action from companies to ensure they are reducing their carbon footprint so global warming does not exceed 1.5 degrees, the global average temperature limit that scientific consensus tells us is required to avoid severe, widespread, and irreversible impacts.



Photos: Vitalii Mamchuk, Martamroczek3, Harold W Bradley, Oseland | Dreamstime.com

What Is the Credentialing Committee?

When a candidate for ministry needs an educational supervisor for their supervised ministry education or a community of faith decides to search for an intentional interim minister, the church does its best to ensure this important work is carried out by those who are suitably equipped. The United Church of Canada has long recognized the importance of training and authorizing educational supervisors and intentional interim ministers.

- An educational supervisor (ministry personnel or layperson) guides someone preparing for designated lay ministry or ordained ministry during their supervised ministry education.
- An intentional interim minister leads a community of faith to systematically deal with the transition issues that emerge when following a longer pastorate, seeking a new vision and mission, or moving through and beyond a time of conflict or crisis.

In the church's new structure, the Office of Vocation's Credentialing Committee is responsible for discernment and testing for these ministries.

The Credentialing Committee reviews applications and accompanying documents, conducts interviews, and, as appropriate, approves new educational supervisors and designates intentional interim ministers or approves them for continuing designation. During the past nine months, three intentional interim ministers, all on the east coast, have been approved for continuing designation, and twelve potential educational supervisors have been interviewed.

The Credentialing Committee also deals with applications from ministry personnel who wish to change ministry stream. In the next year, applications for military chaplains will also come to this committee.

The committee is made up of ministry personnel and lay people from across the country. Meetings and interviews are conducted electronically, enabling us to bring together a range of experience with interim ministry, ministry of supervision, and chaplaincy. This breadth offers consistency and thoroughness across the denomination.

Wanda Burse, secretary of the committee, concludes, "It is uplifting and encouraging to hear the passion and dedication that lay people and ministry personnel have for the ministries for which they have trained. Each person on the committee enjoys talking with those we interview and prayerfully holds each decision made."

—Pegi Ridout, Credentialing Committee Coordinator

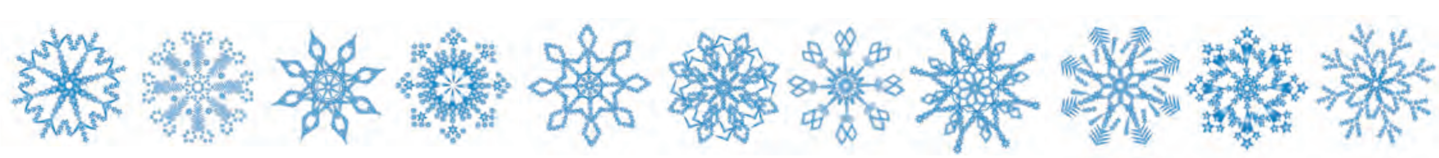


Illustration: Ilona Shargova | Dreamstime.com

Office of Vocation Admission Process

Following a hiatus, new applications for the admission process are being received by the Office of Vocation (officeofvocation@united-church.ca).

The admission process has been in existence for many years and has allowed ministers from various countries and faith traditions to continue their vocational journey by serving The United Church of Canada. Careful and critical revision was completed by a task group of the Permanent Committee: Ministry and Employment Policies and Services, mandated by the General Council, and implemented by the Board of Vocation and staff.

What's New?

- **Discernment with an accompanier:** Interested applicants will be assigned a trained accompanier, who will walk with them as they discern whether to apply to serve The United Church of Canada through this process. This is especially important for overseas applicants.
- **Admission Board:** An Admission Board has been appointed by the Board of Vocation to do the work that used to be done by each Conference. This will allow consistency for all applicants. Interviews are conducted initially to approve an applicant to seek an appointment, and then again once the admission minister is ready to be received into the United Church.
- **Orientation program:** The purpose of this program is to familiarize admission ministers with the polity, history, and theology of the United Church. The goal of the program is to achieve competency in particular learning outcomes. Learning outcomes make explicit what the United Church expects its ministry personnel to do and know, and are assessed by the Admission Board during the final interview.

We look forward to welcoming new ministry personnel through this process as we continue to meet our commitment to "becoming a racially and culturally diverse intercultural denomination that meets the needs of all of its faith communities" (*The Manual*, H.6.1).

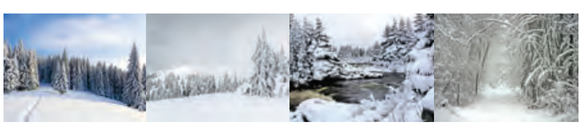
See the new *Admission to the Order of Ministry Policy and Procedures* (www.united-church.ca/handbooks) and the other resources related to the new admission process.

—Marlene Britton is currently Office of Vocation Minister for Canadian Shield and Shining Waters regional councils and will be moving to Program Coordinator for Admission and Pastoral Relations beginning January 1, 2020.

Printed Copies of *Connex*

We send a printed copy of *Connex* to every active and retired member of the pension plan because this newsletter contains pension and benefits information. Although we are mindful of the need to limit the use of paper, we hesitate to discontinue printed copies because some members live in areas without reliable Internet service. Some of you have provided your e-mail addresses to receive *Connex* electronically, and we have received several requests to stop sending printed copies to those who prefer electronic copies.

Unfortunately, at present we do not have the capacity to record mailing preferences. This is a priority as we implement a new administration system. Your patience is appreciated.



CONTACT US

Connex is the newsletter of the Ministry and Employment Unit at the 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)
Benefits@united-church.ca
Disability@united-church.ca
Pension@united-church.ca

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

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Benefit Category	Rate for 2019	New Rate for 2020
Restorative Care Plan (employer paid): EN22	1.03%	1.13%
Employer Indemnity (employer paid): EN23	0.11%	0.12%
Pension Contributions (employer paid): EN26	Unchanged	Unchanged
BASIC Benefits, incl. health and dental, life ins. (employer paid): EN27	4.98%	5.45%
Pension Contributions (employee paid): DN02	Unchanged	Unchanged
Long Term Disability (employee paid): DN19	2.89%	3.33%
Optional Life (employee paid): DN22	Unchanged	Unchanged
Optional Spousal Life (employee paid): DN23	Unchanged	Unchanged
Optional AD&D (employee paid): DN24		
Single: for each 10,000 of volume	Unchanged	Unchanged
Family: for each 10,000 of volume	Unchanged	Unchanged
Optional Health and Dental (employee paid): DN25		
Single/month	$41.62	$45.58
Family/month	$118.55	$129.82
Pensioner Health and Dental (pensioner paid via pension benefit)		
Single/month	$55.16	$60.40
Family/month	$111.27	$121.84

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